

# NOTICE OF REGULAR MEETING

## CITY COUNCIL

DATE	TIME	PLACE
DECEMBER 1, 2015	Immediately following Municipal Authority Meeting	COUNCIL CHAMBERS

### **AGENDA**

1. Call to Order
2. Roll Call
3. Comments from the Audience
4. Consent Agenda
  - a. Minutes Approval
    1. City Council - Regular Meeting - Nov 17, 2015 6:30 PM
  - b. Receive and Acknowledge Receipt of Claims List
  - c. Budget Amendment in the Amount of \$14,500 Recognizing the Use of Un-Budgeted Surplus (Fund Balance) and Appropriating it to be Spend on Revamping the City Website.
  - d. Budget Amendment in the Amount of \$2,000 Recognizing the Use of Un-Budgeted Surplus (Fund Balance) and Appropriating it to Purchase iPads for City Council.
5. Consider, Discuss and Vote to Either Approve the Regular Meeting Dates for the Altus City Council for Calendar Year 2016, or Vote to Change Scheduled Date(S) to Alternate Date(S) as Recommended by the Council Members.
6. Consider, Discuss and Vote to Award Banking Services to the Best Bidder(S) as Recommended by Staff Based on Proposals Received.
7. Consider, Discuss and Vote to Declare Surplus and Authorize Selling or Otherwise Disposing of City Owned Materials and Equipment.
8. Consider, Discuss and Vote to Give 30 Days Written Notice to Terminate Collection Contract with American Municipal Services and to Enter into Contract for Collections with the Law Firm of Perdue Brandon Fielder Collins and Mott, LLP, After the Termination of the Contract.

9. Consider, Discuss and Vote to Approve a Memorandum of Understanding (MOU) Between the City and the Oklahoma Department of Public Safety on Behalf of DPS Troop/Division M to Use the City's Emergency Operations Center (EOC) in an Emergency Situation Which Renders DPS Office's Office Space Unusable for Normal Operations, to Authorize Mayor to Sign the MOU or to Take Any Other Appropriate Action.
10. Consider, Discuss and Vote to Approve Resolution No. 2015-\_\_\_\_ Regarding Approval of the New Investment Policy for the City of Altus that Also Applies to the Altus Municipal Authority and Repealing Resolution No. 2002-33 and Any Other Resolutions or Parts of Resolutions in Conflict Herewith; And/Or Take Any Other Appropriate Action.
11. Vote to go into Executive Session

EXECUTIVE SESSION ITEMS:

12. Consider, Discuss and Vote to Discuss in Executive Session the Initial Six-Month Performance Review of the City Manager, an Individual Salaried City Employee, as Authorized by Section 307 (B)(1) of Title 25. O.S.A. and in Open Session Vote to Take Any Appropriate Action.
  13. Discuss in Executive Session the Appraisal of Real Property, the Value of Leased Groundwater, Paragraphs 3.2, 5.1 of the 2015 Round Timber Groundwater Lease Agreement Between Leonard Keith Spears and Sherry K. Spears and the City and Paragraphs 2.1 - 2.3 of Exhibit B to Said Groundwater Lease, and in Open Session, Vote to Take Any Appropriate Action, as Specifically Authorized by Section 307 (B)(3) Title 25 O.S.A.
  14. Review, discuss and possible action on other new business, if any, which has arisen since the posting of the agenda and which could not have been reasonably foreseen prior to posting of the agenda. (25 O.S.A. Section 3 -111 (9))
  15. Mayor's Appointments
  16. City Manager's comments and reports (discussion only)
  17. City Council's member's comments and reports
  18. Mayor's comments and reports
  19. Adjourn
- Next Resolution No. 2015-42  
Next Ordinance No. 2015-31

The City of Altus encourages participation from all of its citizens. If participation at any public meeting is not possible due to a disability, notification to the Mayor's office at least 48 hours prior to the scheduled meeting is encouraged to make the necessary accommodations. The City may waive the 48 hour rule if signing is not the necessary accommodation. Call 481-2202 to

make the necessary arrangements. We will accommodate you anytime and in every way possible. Just call and let us know your needs.

To be completed by person filing notice:

NAME: Debbie Davis  
TITLE: City Clerk  
ADDRESS: 509 S. Main  
Altus, OK 73521  
PHONE: (580) 481-2216

Filed in the office of the City Clerk/Treasurer at \_\_\_\_\_ a.m./p.m. on \_\_\_\_\_.

Signed: \_\_\_\_\_  
Clerk/Deputy Clerk

**ALTUS CITY COUNCIL MEETING  
MINUTES  
NOVEMBER 17, 2015**

**1. CALL TO ORDER**

The City Council of Altus, Jackson County met in regular session Tuesday, November 17, 2015 at 6:45 p.m. in the Council chambers of City Hall. Notice of the agenda was duly filed and posted in the office of the City Clerk, November 13, at 6:22 p.m.

**2. ROLL CALL:**

**Present:** Chris Riffle, Rick Henry, Doyle Jenckks, Jon Kidell, Jason Winters, Dwayne Martin, Perry Shelton, Kevin McAuliffe, Jacik Smiley

**Absent:** None

**Others Present:** David Fuqua, Matt Wojnowski, Jan Neufeld, Catherine Coke, Debbie Davis, Donita Beers, Linda Walker, Sharon Sutton, Kyle Davis, Angie & Dennis Murphy, Lloyd Colston, Freddy Perez, Jerry Gibson, Ken Pike, Phillip Beauchamp, Tim Murphy, Barbara Burleson, Chad Osborne, Johnny Barron, Candice Willingham, Kevin Baker, Officer Billy Fowler.

**3. COMMENTS FROM THE AUDIENCE**

None

**4. CONSENT AGENDA**

**A. APPROVE MINUTES FOR ALTUS CITY COUNCIL MEETING ON NOVEMBER 17, 2015**

**B. RECEIVE AND ACKNOWLEDGE RECEIPT OF CLAIMS LIST**

**C. BUDGET AMENDMENT TO TRANSFER THE FY16 BUDGET AMOUNTS FROM THE GENERAL FUND RECREATION (DEPT 24) TO THE NEWLY CREATED RECREATION FUND (FUND 10) FOR 1) A NET INCREASE OF \$38,500 TO THE RECREATION FUND (FUND 10); AND 2) A NET DECREASE OF (\$38,500) TO THE GENERAL FUND (FUND 01).**

**D. ACKNOWLEDGE RECEIPT OF ODEQ PERMITS FOR HOUSING ADDITIONS; LAUREL HOMES PHASE 15: ODEQ WATER PERMIT #WL000033141088 AND HUNTER POINTE PHASE 11: ODEQ WATER PERMIT #WL000033150765 AND ODEQ SEWER PERMIT #SL000033150766. RESULT:**

Minutes Acceptance: Minutes of Nov 17, 2015 6:30 PM (Minutes Approval)

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Jon Kidwell, Councilman
<b>SECONDER:</b>	Rick Henry, Councilman
<b>AYES:</b>	Henry, Shelton, Martin, Jencks, Winters, Kidwell, McAuliffe, Riffle, Smiley

**5. CONSIDER, DISCUSS AND VOTE TO APPROVE ARAC ORDINANCE # 2015-24 TO UPDATE CITY OF ALTUS CODE OF ORDINANCES TO ADD THE ALTUS RECREATION ADVISORY COMMITTEE AND/OR ANY OTHER APPROPRIATE ACTION**

This item presented by Catherine Coke, City Attorney

Approved Ordinance No. 2015-24 updating the City of Altus Code of Ordinances.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Perry Shelton, Councilman
<b>SECONDER:</b>	Rick Henry, Councilman
<b>AYES:</b>	Henry, Shelton, Martin, Jencks, Winters, Kidwell, McAuliffe, Riffle, Smiley

**6. CONSIDER, DISCUSS AND VOTE TO APPROVE 1) EMERGENCY OMRF ORDINANCE NO. 2015-25 AND EMERGENCY CITY ORDINANCE NO. 2015-26 ADDING SECTION 22-20(A)(26) TO AMEND THE CITY'S DEFINED BENEFIT PLAN FOR ELIGIBLE EMPLOYEES TO AMEND THE DEFINITION OF "EMPLOYEE" TO INCLUDE THE CITY MANAGER AND THE ASSISTANT CITY MANAGER IN THE DB (DEFINED BENEFIT) PLAN ONLY AND APPROVE A NEW OMRF MASTER DEFINED BENEFIT PLAN JOINDER AGREEMENT AS EXHIBIT A; 2) DECLARING AN EMERGENCY WITH AN EFFECTIVE DATE OF NOVEMBER 1, 2015; OR TAKE ANY OTHER APPROPRIATE ACTION.**

This item presented by Catherine Coke, City Attorney

Approved Ordinances No. 2015-25 & 2015-26 to Amend the City's Defined Benefit Plan for Eligible Employees to include the City Manager and Assistant City Manager and to approve a new OMRF Master Defined Benefit Plan Joinder Agreement.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Dwayne E. Martin, Councilman
<b>SECONDER:</b>	Chris Riffle, Councilman
<b>AYES:</b>	Henry, Shelton, Martin, Jencks, Winters, Kidwell, McAuliffe, Riffle, Smiley

- 7. CONSIDER, DISCUSS AND VOTE TO APPROVE 1) EMERGENCY OMRF ORDINANCE NO. 2015-27 AND EMERGENCY CITY ORDINANCE NO. 2015-28 AMENDING THE CITY'S DEFINED CONTRIBUTION (DC ) PLAN FOR THE POSITION OF ASSISTANT CITY MANAGER AND ADDING SECTION 22-7(A)(15) TO THE ALTUS CODE TO AMEND THE CITY'S DC (DEFINED CONTRIBUTION) PLAN FOR ELIGIBLE EMPLOYEES TO AMEND THE DEFINITION OF "EMPLOYEE" TO EXCLUDE ANY PERSON WHO HOLDS THE POSITION OF ASSISTANT CITY MANAGER ON OR AFTER AUGUST 19, 2015 AND APPROVE A NEW OMRF MASTER DEFINED CONTRIBUTION PLAN JOINDER AGREEMENT AS EXHIBIT A; 2) DECLARING AN EMERGENCY WITH AN EFFECTIVE DATE OF NOVEMBER 1, 2015; OR TAKE ANY OTHER APPROPRIATE ACTION.**

This item presented by Catherine Coke, City Attorney

Approved Ordinances No. 2015-27 & 2015-28 to Amend the City's Defined Contribution Plan for the position of Assistant City Manager and Eligible Employees and to approve a new OMRF Master Defined Contribution Plan Joinder Agreement.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Dwayne E. Martin, Councilman
<b>SECONDER:</b>	Chris Riffle, Councilman
<b>AYES:</b>	Henry, Shelton, Martin, Jencks, Winters, Kidwell, McAuliffe, Riffle, Smiley

- 8. CONSIDER, DISCUSS AND VOTE TO APPROVE 1) EMERGENCY OMRF ORDINANCE NO. 2015-29 AND EMERGENCY CITY ORDINANCE NO. 2015-30 AMENDING THE CITY'S DEFINED CONTRIBUTION (DC ) PLAN FOR THE POSITION OF CITY MANAGER AND ADDING SECTION 22-7(A)(14) TO THE ALTUS CODE TO AMEND THE CITY'S DC (DEFINED CONTRIBUTION) PLAN FOR ELIGIBLE EMPLOYEES TO AMEND THE DEFINITION OF "EMPLOYEE" TO EXCLUDE ANY PERSON WHO HOLDS THE POSITION OF CITY MANAGER ON OR AFTER MAY 18, 2015 AND APPROVE A NEW OMRF MASTER DEFINED CONTRIBUTION PLAN JOINDER AGREEMENT AS EXHIBIT A; 2) DECLARING AN EMERGENCY WITH AN EFFECTIVE DATE OF NOVEMBER 1, 2015; OR TAKE ANY OTHER APPROPRIATE ACTION.**

This item presented by Catherine Coke, City Attorney

Approved Ordinances No. 2015-29 & 2015-30 to Amend the City's Defined Contribution Plan for the position of City Manager and Eligible Employees and to Approve a new OMRF Master Defined Contribution Plan Joinder Agreement.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Dwayne E. Martin, Councilman
<b>SECONDER:</b>	Chris Riffle, Councilman
<b>AYES:</b>	Henry, Shelton, Martin, Jencks, Winters, Kidwell, McAuliffe, Riffle, Smiley

Motion made by MARTIN and seconded by KIDWELL to APPROVE the EMERGENCY CLAUSE for ORDINANCES 2015-25, 2015-26, 2015-27, 2015-28, 2015-29, & 2015-30 effective NOVEMBER 1, 2015.

AYE: Henry, Riffle, Winters, Martin, Kidwell, Jencks, Shelton, McAuliffe, Smiley

NAY: None

Motion carried 9-0

**9. CONSIDER, DISCUSS AND VOTE TO APPROVE A REQUEST FROM AN EMPLOYEE TO RECEIVE A LUMP SUM PAYMENT OF RETIREMENT BENEFITS.**

This item presented by Mayor Smiley.

Approved the request for Mr. Ernest Ray Jones to receive a lump sum payment of retirement benefits.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Perry Shelton, Councilman
<b>SECONDER:</b>	Jon Kidwell, Councilman
<b>AYES:</b>	Henry, Shelton, Martin, Jencks, Winters, Kidwell, McAuliffe, Riffle, Smiley

**10. CONSIDER, DISCUSS AND VOTE TO APPROVE RESOLUTION NO. 2015-40 DIRECTING FILING AND NOTIFICATION TO THE PUBLIC OF THE PUBLICATION OF SUPPLEMENT #35 TO THE ALTUS CITY CODE 1980, OR TAKE ANY OTHER APPROPRIATE ACTION.**

This item presented by Catherine Coke, City Attorney

Approved Resolution No. 2015-40 approving the direct filing and notification to the public of Supplement #35 to the Altus City Code 1980.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Perry Shelton, Councilman
<b>SECONDER:</b>	Jon Kidwell, Councilman
<b>AYES:</b>	Henry, Shelton, Martin, Jencks, Winters, Kidwell, McAuliffe, Riffle, Smiley

**11. CONSIDER, DISCUSS AND VOTE TO APPROVE RESOLUTION NO. 2015-41 DECLARING THE SELECTION OF THE PROFESSIONAL ENGINEERING FIRM TO PERFORM BRIDGE INSPECTIONS FOR THE CITY OF ALTUS IN ACCORDANCE WITH THE NATIONAL BRIDGE INSPECTION STANDARDS UNDER ODOT BRIDGE INSPECTION CONTRACTS FOR APRIL 1, 2016 TO MARCH 31, 2018; AND/OR ANY OTHER APPROPRIATE ACTION**

This item presented by Johnny Barron, Public Works Director

Approved Resolution 2015-41 declaring the Selection of the Professional Engineering Firm to perform Bridge inspections for the City of Altus. Contract: Inspections under ODOT Bridge Inspection. April 1, 2016 to March 31, 2018.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Chris Riffle, Councilman
<b>SECONDER:</b>	Rick Henry, Councilman
<b>AYES:</b>	Henry, Shelton, Martin, Jencks, Winters, Kidwell, McAuliffe, Riffle, Smiley

**12. CONSIDER, DISCUSS AND VOTE TO APPROVE THE DESIGN DRAWINGS FOR THE MESQUITE MEADOWS ADDITION PROPOSED FOR DEVELOPMENT BY GEORGE NASSANY, MANAGER, NASSANY LAND COMPANY LLC; AND/OR ANY OTHER APPROPRIATE ACTION**

This item presented by Johnny Barron, Public Works Director

Approve Design Drawings for the Mesquite Meadows Addition proposed for development.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Chris Riffle, Councilman
<b>SECONDER:</b>	Jon Kidwell, Councilman
<b>AYES:</b>	Henry, Shelton, Martin, Jencks, Winters, Kidwell, McAuliffe, Riffle, Smiley

**13. CONSIDER, DISCUSS AND VOTE TO AUTHORIZE MAYOR TO SIGN THE CONTRACT APPROVING RECOMMENDATION TO PURCHASE WEBSITE REDESIGN AND HOSTING FROM CIVICPLUS (GSA CONTRACT # GS-35F-0124U), 302 S. 4TH STREET, SUITE 500, MANHATTAN, KS 66502 AND/OR ANY OTHER APPROPRIATE ACTION**

Jerry Gibson, IT Director      This item a companion to AMA #7

Authorize the Mayor to sign the Contract approving recommendation to purchase website redesign and hosting from CivicPlus . Contract: #GS-35F-0124U



<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Chris Riffle, Councilman
<b>SECONDER:</b>	Jon Kidwell, Councilman
<b>AYES:</b>	Henry, Shelton, Martin, Jencks, Winters, Kidwell, McAuliffe, Riffle, Smiley

**14. CONSIDER, DISCUSS AND VOTE TO APPROVE A MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE CITY OF ALTUS AND THE JACKSON COUNTY HEALTH DEPARTMENT TO AUTHORIZE THE USE OF THE ALTUS COMMUNITY CENTER DURING A PUBLIC HEALTH EMERGENCY RESPONSE, OR TAKE ANY OTHER APPROPRIATE ACTION.**

This item presented by Lloyd Colston, Emergency Services Director

Approve a Memorandum of Understanding between the City of Altus and Jackson County Health Department to authorize the use of the Altus Community Center during a Public Health Emergency Response.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Perry Shelton, Councilman
<b>SECONDER:</b>	Kevin McAuliffe, Councilman
<b>AYES:</b>	Henry, Shelton, Martin, Jencks, Winters, Kidwell, McAuliffe, Riffle, Smiley

**15. CONSIDER, DISCUSS AND VOTE TO APPROVE A MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE CITY OF ALTUS AND THE JACKSON COUNTY HEALTH DEPARTMENT TO AUTHORIZE THE USE OF THE ALTUS CITY GYM DURING A PUBLIC HEALTH EMERGENCY RESPONSE, OR TAKE ANY OTHER APPROPRIATE ACTION.**

This item presented by Lloyd Colston, Emergency Services Director

Approve a Memorandum of Understanding between the City of Altus and the Jackson County Health Department to authorize the use of the Altus City Gym during a public Health Emergency Response.

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Rick Henry, Councilman
<b>SECONDER:</b>	Perry Shelton, Councilman
<b>AYES:</b>	Henry, Shelton, Martin, Jencks, Winters, Kidwell, McAuliffe, Riffle, Smiley

**16. REVIEW, DISCUSS AND POSSIBLE ACTION ON OTHER NEW BUSINESS, IF ANY, WHICH HAS ARISEN SINCE THE POSTING OF THE AGENDA AND WHICH COULD NOT HAVE BEEN REASONABLY FORESEEN PRIOR TO POSTING OF THE AGENDA. (25 O.S.A. SECTION 3 -111 (9))**

None

Minutes Acceptance: Minutes of Nov 17, 2015 6:30 PM (Minutes Approval)

**17. MAYOR'S APPOINTMENTS**

None

**18. ADJOURN 8:20 P.M.**

Item No. \_\_\_\_\_

Date: December 1, 2015

## **AGENDA ITEM COMMENTARY**

**ITEM TITLE:** Receive and Acknowledge Receipt of Claims List

**INITIATOR:** Cindy Young, Purchasing Tech.

**STAFF INFORMATION SOURCE:** Cindy Young, Purchasing Tech.

**STAFF RECOMMENDATION:** Stated Council Action



City of

**ALTUS**

Altus, OKLAHOMA 73521 - (580) 477-1950

A PROUD HERITAGE

A PROMISING FUTURE TO SHARE!

MAYOR  
JACK SMILEY

CITY MANAGER  
DAVID FUQUA

**COUNCIL**

Doyle Jencks  
Rick Henry  
Chris Riffle  
Jason Winters  
Perry Shelton  
Kevin McAuliffe  
Dwayne Martin  
Jon Kidwell

December 1, 2015

To the Honorable Mayor and Members of the City Council  
City of Altus, Oklahoma

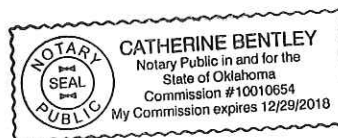
I hereby certify that the amount of this encumbrance has been entered against the designated appropriation accounts and that this encumbrance is within the authorized available balance of said appropriation.

Dated this 1 day of December, 2015.

Linda Mutchler  
Purchasing Agent

State of OklahomaCounty of Jackson

On this 19 day of November, 2015 before me  
personally appeared Linda Mutchler, to me known to be the  
person described in and who executed the foregoing instrument.

My Commission Expires: 12/29/2018

FUND: 01 - GENERAL FUND (01)

SUMMARY REPORT

4.b.a

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 02 ADMINISTRATIVE SERVICES						
16-1338	01-041825	CABLE ONE	INTERNET SERVICE	11/2015	201511120129	261.00
16-1370	01-043403	AT&T, INC	TELEPHONE SERVICE	11/2015	201511130144	554.40
16-1367	01-044877	DAVID FUQUA	REIMBURSE MOVE TO ALTUS	11/2015	201511130142	5,075.86
DEPARTMENT TOTAL:						5,891.26
DEPARTMENT: 03 ADMINISTRATION						
16-1343	01-01315	ALTUS ROTARY CLUB	DUES & MEALS	11/2015	201511130147	103.00
16-1327	01-042100	SECRETARY OF STATE	NOTARY RENEWAL	11/2015	201511120131	20.00
DEPARTMENT TOTAL:						123.00
DEPARTMENT: 04 LAW						
16-1362	01-13411	MUNICIPAL CODE CORP., INC	SUPPLEMENT PAGES,	11/2015	00262334	1,935.34
16-1328	01-23080	WEST GROUP	WEST INFORMATION CHARGES	11/2015	832627781	439.25
DEPARTMENT TOTAL:						2,374.59
DEPARTMENT: 07 POLICE-TRAFFIC DIVISION						
16-1267	01-042139	KENNY'S SIGN GRAPHX, LLC	DECALS FOR UNIT 61	11/2015	15336	80.00
16-1347	01-043506	PATC	HOSTAGE NEGOTIATIONS	11/2015	199637	495.00
16-1349	01-044790	U.S. FLEET TRACKING	TRACKING	11/2015	119893	868.55
DEPARTMENT TOTAL:						1,443.55
DEPARTMENT: 08 POLICE-DETECTIVE DIV						
16-1254	01-044776	LIBBY GUAJARDO	ALTERATIONS	11/2015	201511120132	30.00
DEPARTMENT TOTAL:						30.00
DEPARTMENT: 09 POLICE ADMINISTRATION						
16-1348	01-01315	ALTUS ROTARY CLUB	ROTARY DUES	11/2015	201511120133	180.00
16-1316	01-041291	OKLAHOMA DPS FINANCE DIVI	OLETS MONTHLY CHARGE	11/2015	04-1606151	350.00
16-1315	01-042930	OSBI, DBA	ODIS MONTHLY CHARGE	11/2015	15-005876-S	500.00
16-1370	01-043403	AT&T, INC	TELEPHONE SERVICE	11/2015	201511130144	2,208.00
16-1242	01-044073	COAST TO COAST, INC	Toner	10/2015	A1400364	65.99
16-0881	01-045039	CANNON FINANCIAL INC.	COPY MACHINE	11/2015	15434038-1	118.20
16-0825	01-045063	BUD BESSEY CPO USN (RET)	PR COINS	11/2015	201511130148	295.00
DEPARTMENT TOTAL:						3,717.19

Attachment: CITY CLAIMS LIST (1124 : Claims List)

FUND: 01 - GENERAL FUND (01)

SUMMARY REPORT

4.b.a

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 10 POLICE-ANIMAL CONTROL						
16-0610	01-045039	CANNON FINANCIAL INC.	CANON COPIER	11/2015	15434038	100.81
DEPARTMENT TOTAL:						100.81
DEPARTMENT: 11 FIRE DEPARTMENT						
16-1373	01-041064	OKLA TURNPIKE AUTHORITY	PIKE PASS	11/2015	20151095537	6.10
16-1350	01-043551	MOONLIGHT MAINTENANCE & SUP	Cleaning supplies	11/2015	7523	294.94
DEPARTMENT TOTAL:						301.04
DEPARTMENT: 13 PARKS						
16-1373	01-041064	OKLA TURNPIKE AUTHORITY	PIKE PASS	11/2015	20151095537	1.50
DEPARTMENT TOTAL:						1.50
DEPARTMENT: 15 BLDG MAINT						
16-1317	01-10063	JANUS SUPPLY CO., INC	CLEANING HANDS	11/2015	91220	222.40
DEPARTMENT TOTAL:						222.40
DEPARTMENT: 20 PLANNING DEPARTMENT						
16-1038	01-044435	OKLAHOMA BUILDING INSPECTOR		11/2015	F15-269	130.00
DEPARTMENT TOTAL:						130.00
DEPARTMENT: 24 RECREATION						
16-1338	01-041825	CABLE ONE	INTERNET SERVICE	11/2015	201511120129	63.00
16-1345	01-044476	MGW ENTERPRISE, LLC	GIRLS BASKETBALL	11/2015	925056495	5,600.00
DEPARTMENT TOTAL:						5,663.00
DEPARTMENT: 27 EMERGENCY SERVICES						
16-1370	01-043403	AT&T, INC	TELEPHONE SERVICE	11/2015	201511130144	639.60
16-0677	01-043892	WEBER DIESEL	GENATOR WORK	10/2015	83194	960.68
DEPARTMENT TOTAL:						1,600.28

Attachment: CITY CLAIMS LIST (1124 : Claims List)

FUND: 01 - GENERAL FUND (01)

SUMMARY REPORT

4.b.a

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 33      FINANCE DEPARTMENT						
16-1343	01-01315	ALTUS ROTARY CLUB	DUES & MEALS	11/2015	201511130147	166.00
DEPARTMENT TOTAL:						166.00
DEPARTMENT: 34      PERSONNEL DEPARTMENT						
16-1242	01-044073	COAST TO COAST, INC	Toner	10/2015	A1400364	65.99
16-0589	01-045039	CANNON FINANCIAL INC.	COPIER LEASE SAMSUNG	11/2015	15434041	141.51
DEPARTMENT TOTAL:						207.50
DEPARTMENT: 38      CITY CLERK-TREASURER						
16-1337	01-043146	STANDLEY SYSTEMS	COPIER LEASE	11/2015	INV552055	267.90
DEPARTMENT TOTAL:						267.90
DEPARTMENT: 41      PUBLIC GOLF COURSE						
16-1358	01-19380	SOUTHWEST RURAL ELECTRIC	ASELECTRIC USAGE	11/2015	2551	1,658.36
DEPARTMENT TOTAL:						1,658.36
FUND TOTAL:						23,898.38

Attachment: CITY CLAIMS LIST (1124 : Claims List)

FUND: 03 - WORKERS COMP FUND (03)

SUMMARY REPORT

4.b.a

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
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DEPARTMENT: 02      WORKMANS COMP

16-1324	01-02310	BUNKER HILL PHARMACY, INC.	PRESCRIPTION FILLED	11/2015	201511120138	7.10
16-1325	01-18034	REXCO DISCOUNT DRUG	W/C CLAIMS PRESCRIPTIONS	11/2015	201511120140	2,270.70

DEPARTMENT TOTAL: 2,277.80

FUND TOTAL: 2,277.80

Attachment: CITY CLAIMS LIST (1124 : Claims List)



FUND: 12 - DONATION FUND (12)

SUMMARY REPORT

4.b.a

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
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DEPARTMENT: 02      ADMINISTRATION

16-1360	01-044718	AASNIP	SPAY & NEUTER	11/2015	201511120134	321.00
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DEPARTMENT TOTAL: 321.00

FUND TOTAL: 321.00

Attachment: CITY CLAIMS LIST (1124 : Claims List)

FUND: 14 - AIRPORT FUND (14)

SUMMARY REPORT

4.b.a

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
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DEPARTMENT: 31      AIRPORT

16-1279	01-042906	SOUTHWEST OKLA INTERNET	INTERNET FOR TERMINAL	11/2015	201511120130	93.45
16-1372	01-042918	OKLAHOMA AIRPORT OPERATORS	ANNUAL MEMBERSHIP	11/2015	201511130141	300.00
16-1278	01-06143	FOX BLDG. SUPPLY	LUMBER FOR BLOCK HOUSE	11/2015	33203163	341.86
16-1353	01-06143	FOX BLDG. SUPPLY	LUMBER FOR BLOCK HOUSE	11/2015	33203421	608.22
16-0850	01-25000	WESTERN EQUIPMENT, LLC	CX15 HYDROLICS PLUMBING	11/2015	812125	421.13

DEPARTMENT TOTAL: 1,764.66

FUND TOTAL: 1,764.66

Attachment: CITY CLAIMS LIST (1124 : Claims List)

FUND: 31 - STREET & ALLEY FUND (31)

SUMMARY REPORT

4.b.a

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
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DEPARTMENT: 12      CAPITAL OUTLAY

16-1055	01-043221	HOKETT CONSTRUCTION, INC.	HOT MIX AND TACK OIL	10/2015	10092015-01	1,367.80
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DEPARTMENT TOTAL: 1,367.80

FUND TOTAL: 1,367.80

Attachment: CITY CLAIMS LIST (1124 : Claims List)

FUND: 01 - GENERAL FUND (01)

SUMMARY REPORT

4.b.a

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
<hr/>						
DEPARTMENT: 02 ADMINISTRATIVE SERVICES						
16-1394	01-01490	CENTERPOINT ENERGY RESOURCEN	NATURAL GAS	11/2015	201511180170	498.24
16-1422	01-01490	CENTERPOINT ENERGY RESOURCEN	NATURAL GAS	11/2015	201511190176	92.06
16-0016	01-042116	OKLA MUNICIPAL ASSURANCE GRP	PROPERTY INSURANCE	11/2015	201511180171	22,533.67
16-0932	01-043166	REYES ELECTRIC, L.L.C.	ELECTIC	11/2015	201511180173	500.00
16-1134	01-043166	REYES ELECTRIC, L.L.C.	ELECTRICAL WORK FOR	11/2015	201511180167	195.00
16-1421	01-043403	AT&T, INC	TELEPHONE SERVICE	11/2015	201511190177	226.78
16-1391	01-043484	AT&T	TELEPHONE SERVICE	11/2015	01662135253-110515	17.75
16-1434	01-13258	BUGMASTER INC.	PEST CONTROL	11/2015	201511191115	144.00
DEPARTMENT TOTAL:						24,207.50
DEPARTMENT: 07 POLICE-TRAFFIC DIVISION						
16-1424	01-01250	ALTUS CLEANERS, INC	LAUNDRY	11/2015	201511191112	324.72
16-1270	01-043550	NAPA AUTO PARTS	BATTERY	11/2015	210735	100.29
16-1354	01-043550	NAPA AUTO PARTS	BATTERY	11/2015	211791	288.38
16-0277	01-044116	COPS	VEST	11/2015	20154956	4,433.33
16-0286	01-044116	COPS	VEST CARRIER	11/2015	20154957	308.72
16-0996	01-044116	COPS	VEST	11/2015	20154908	1,069.75
16-1392	01-044184	FLEET SERVICES	CREDIT CARD CHARGES	11/2015	42824318	146.66
16-1268	01-044820	COPSPLUS INC.	WEAPON MOUNTED LIGHT	11/2015	201511180174	149.90
16-1356	01-045105	ADAMSON INDUSTRIES CORP.	STEEL WINDOW BARRIERS	11/2015	129915	949.75
16-1083	01-23180	WILMES SUPERSTORE, INC.	REPAIR WINDOW	10/2015	108824	766.40
16-1209	01-23180	WILMES SUPERSTORE, INC.	ABS MODULE	10/2015	38549	651.28
DEPARTMENT TOTAL:						9,189.18
DEPARTMENT: 08 POLICE-DETECTIVE DIV						
16-1424	01-01250	ALTUS CLEANERS, INC	LAUNDRY	11/2015	201511191112	111.99
DEPARTMENT TOTAL:						111.99
DEPARTMENT: 09 POLICE ADMINISTRATION						
16-1424	01-01250	ALTUS CLEANERS, INC	LAUNDRY	11/2015	201511191112	42.94
16-1378	01-044724	VALIR PHYSICAL THERAPY	PHYSICALS	11/2015	473530-3	270.00
DEPARTMENT TOTAL:						312.94

Attachment: CITY CLAIMS LIST (1124 : Claims List)

FUND: 01 - GENERAL FUND (01)

SUMMARY REPORT

4.b.a

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 10 POLICE-ANIMAL CONTROL						
16-1379	01-042139	KENNY'S SIGN GRAPHX, LLC	DECALS	11/2015	15336-1	175.00
DEPARTMENT TOTAL:						175.00
DEPARTMENT: 11 FIRE DEPARTMENT						
16-1411	01-044724	VALIR PHYSICAL THERAPY	RANDOM DRUG TEST	11/2015	473530	35.00
16-1434	01-13258	BUGMASTER INC.	PEST CONTROL	11/2015	201511191115	94.00
DEPARTMENT TOTAL:						129.00
DEPARTMENT: 12 STREET DEPARTMENT						
16-1394	01-01490	CENTERPOINT ENERGY RESOURCEN	NATURAL GAS	11/2015	201511180170	52.41
16-1395	01-01581	ATWOODS	PUMP CENTRIFUGAL,	11/2015	1410/11	303.99
16-1310	01-044978	J AND G TWO-WAY	RADIO'S	11/2015	201511191113	1,354.30
DEPARTMENT TOTAL:						1,710.70
DEPARTMENT: 13 PARKS						
16-1329	01-02230	BREWERS OIL CO., INC.	PARTS FOR BUCKET TRUCK	11/2015	737830	125.13
16-1263	01-043550	NAPA AUTO PARTS	BATTERY	11/2015	210733	74.71
16-1383	01-044724	VALIR PHYSICAL THERAPY	DRUG SCREENING	11/2015	473530-2	135.00
16-1434	01-13258	BUGMASTER INC.	PEST CONTROL	11/2015	201511191115	80.00
16-1334	01-23180	WILMES SUPERSTORE, INC.	LIGHT	11/2015	109458	515.00
16-1335	01-23180	WILMES SUPERSTORE, INC.	TRUCK RAILS	11/2015	109458-1	524.95
DEPARTMENT TOTAL:						1,454.79
DEPARTMENT: 14 CEMETERY						
16-1434	01-13258	BUGMASTER INC.	PEST CONTROL	11/2015	201511191115	58.00
16-1186	01-19227	SMITH FIRESTONE	TIRES	11/2015	321171	488.78
DEPARTMENT TOTAL:						546.78
DEPARTMENT: 15 BLDG MAINT						
16-1434	01-13258	BUGMASTER INC.	PEST CONTROL	11/2015	201511191115	164.00
16-1380	01-16115	PRIVETT SALES	SUPPLYS	11/2015	151097-0	136.36
DEPARTMENT TOTAL:						300.36

Attachment: CITY CLAIMS LIST (1124 : Claims List)

FUND: 01 - GENERAL FUND (01)

SUMMARY REPORT

4.b.a

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 20 PLANNING DEPARTMENT						
16-1045	01-01340	ALTUS TIMES LEGALS	ACPC 15-10	10/2015	201511190182	128.40
16-1046	01-01340	ALTUS TIMES LEGALS	ACPC	10/2015	201511190181	98.10
DEPARTMENT TOTAL:						226.50
DEPARTMENT: 23 FLEET MAINTENANCE						
16-1422	01-01490	CENTERPOINT ENERGY RESOURCEN	NATURAL GAS	11/2015	201511190176	117.66
16-1210	01-043550	NAPA AUTO PARTS	MOTOR OIL	11/2015	210168	655.41
DEPARTMENT TOTAL:						773.07
DEPARTMENT: 24 RECREATION						
16-1407	01-044476	MGW ENTERPRISE, LLC	GIRLS BASKETBALL	11/2015	002056691	3,808.00
16-1399	01-044635	WESTERN OKLA. OFFICIALS ASS	REIMBURSEMENT OF OFFICIAL	11/2015	4	1,890.00
16-1382	01-044724	VALIR PHYSICAL THERAPY	DRUG SCREENING	11/2015	473530-1	135.00
DEPARTMENT TOTAL:						5,833.00
DEPARTMENT: 27 EMERGENCY SERVICES						
16-1390	01-043084	TOUCHTONE	LONG DISTANCE SERVICE	11/2015	201511180172	2.99
DEPARTMENT TOTAL:						2.99
DEPARTMENT: 29 INFORMATION SYSTEMS						
16-1393	01-044615	AT&T	U-VERSE INTERNET	11/2015	201511180169	105.00
DEPARTMENT TOTAL:						105.00
DEPARTMENT: 32 POOL						
16-1434	01-13258	BUGMASTER INC.	PEST CONTROL	11/2015	201511191115	48.00
DEPARTMENT TOTAL:						48.00
DEPARTMENT: 38 CITY CLERK-TREASURER						
16-1043	01-01340	ALTUS TIMES LEGALS	PUBLISH ORDINANCES	10/2015	201511190179	170.55
DEPARTMENT TOTAL:						170.55

Attachment: CITY CLAIMS LIST (1124 : Claims List)

FUND: 01 - GENERAL FUND (01)

SUMMARY REPORT

4.b.a

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 41 PUBLIC GOLF COURSE						
16-1336	01-042064	VERNON DR. PEPPER BOTTLIN	DRINKS	11/2015	197784	151.50
16-1390	01-043084	TOUCHTONE	LONG DISTANCE SERVICE	11/2015	201511180172	2.99
16-1286	01-043666	R & R PRODUCTS, INC	SUPPLIES	11/2015	CD1963105	558.10
16-1420	01-044345	JUSTICE GOLF CAR CO. INC.	OGOLF CAR LEASES	11/2015	186186	1,330.00
16-1318	01-045101	E& A MATERIALS, INC.	SAND	11/2015	20233	845.95
16-1434	01-13258	BUGMASTER INC.	PEST CONTROL	11/2015	201511191115	72.00
DEPARTMENT TOTAL:						2,960.54
FUND TOTAL:						48,257.89

Attachment: CITY CLAIMS LIST (1124 : Claims List)

FUND: 03 - WORKERS COMP FUND (03)

SUMMARY REPORT

4.b.a

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
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DEPARTMENT: 02 WORKMANS COMP

16-1428	01-044941	MITCHELL PHARMACY SOLUTIONS	SW/C PHARMACY REFILL	11/2015	4307306	503.56
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DEPARTMENT TOTAL: 503.56

FUND TOTAL: 503.56

Attachment: CITY CLAIMS LIST (1124 : Claims List)



FUND: 04 - ASSURANCE FUND (04)

SUMMARY REPORT

4.b.a

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
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DEPARTMENT: 02 ADMINISTRATIVE SERVICES

16-1426	01-043374	INFINISOURCE COBRA ADMINISTFBA MONTHLY ADMIN SERVICE	11/2015	691774	139.50
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16-1427	01-045038	NFP CORPORATE SERVICES (OK)PLANSOURCE BEN. SOFTWARE	11/2015	226	435.75
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DEPARTMENT TOTAL: 575.25

FUND TOTAL: 575.25

Attachment: CITY CLAIMS LIST (1124 : Claims List)

FUND: 12 - DONATION FUND (12)

SUMMARY REPORT

4.b.a

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
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DEPARTMENT: 02      ADMINISTRATION

16-1212	01-042376	JACKSON COUNTY MEM HOSP	AUTLEPC ROOM FEE	10/2015	201511190178	85.00
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DEPARTMENT TOTAL:      85.00

FUND TOTAL:      85.00

Attachment: CITY CLAIMS LIST (1124 : Claims List)

FUND: 14 - AIRPORT FUND (14)

SUMMARY REPORT

4.b.a

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
DEPARTMENT: 31      AIRPORT						
16-0130	01-042429	CEC CORPORATION	2015 AIP ENGINEERING	10/2015	14257.01-03	6,800.00
16-1390	01-043084	TOUCHTONE	LONG DISTANCE SERVICE	11/2015	201511180172	10.13
16-1214	01-043683	QUALITY FENCE	AIRPORT FENCING PROJECT	11/2015	1	110,072.83
16-1434	01-13258	BUGMASTER INC.	PEST CONTROL	11/2015	201511191115	45.00
16-0159	01-23185	WING AERO PRODUCTS, INC.	PILOT SUPPLIES FOR RESALE	11/2015	787544	128.44
DEPARTMENT TOTAL:						117,056.40
FUND TOTAL:						117,056.40

Attachment: CITY CLAIMS LIST (1124 : Claims List)

FUND: 01 - GENERAL FUND (01)

SUMMARY REPORT

4.b.a

P.O.#	VENDOR #	NAME	SUMMARY DESCRIPTION	DATE	INVOICE	AMOUNT
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DEPARTMENT: 07      POLICE-TRAFFIC DIVISION

16-0615	01-23180	WILMES SUPERSTORE, INC.	FLEET FOR POLICE, ELECTRI	11/2015	201511170165	63,292.00
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DEPARTMENT TOTAL: 63,292.00

FUND TOTAL: 63,292.00

GRAND TOTAL: 63,292.00

Attachment: CITY CLAIMS LIST (1124 : Claims List)

Item No. \_\_\_\_\_

Date: December 1, 2015**AGENDA ITEM COMMENTARY**

**ITEM TITLE:** Budget Amendment in the Amount of \$14,500 Recognizing the Use of Un-Budgeted Surplus (Fund Balance) and Appropriating it to be Spend on Revamping the City Website.

**INITIATOR:** Elizabeth Smith

**STAFF INFORMATION SOURCE:** Jan Neufeld

**STAFF RECOMMENDATION:** Stated Council Action

**City of Altus**  
**Budget Amendment FY 2015-2016**  
**General Fund**

**Estimated Revenue or Fund Balance**

Fund Number	Account Number	Department	Description	Balance Before Amendment	Amount of Amendment Increase (Decrease)	Balance After Amendment
01	418450	City Revenues	Fund Balance		14,500.00	14,500.00
						-
						-
			Total		<b>14,500.00</b>	

**Appropriations**

Fund Number	Account Number	Department	Description	Balance Before Amendment	Amount of Amendment Increase (Decrease)	Balance After Amendment
01	5-29-5301.120	Information Technology	Website Revamp	87,588.00	14,500.00	102,088.00
						-
						-
						-
						-
						-
						-
			Total		<b>14,500.00</b>	

Approved by the City Council this  
 1st Day of December 2015

This amendment recognizes the use of unbudgeted surplus (fund balance) and appropriates  
 it for the website revamp.

Approved:

Mayor

Attest:

City Clerk

Posted By \_\_\_\_\_ Date \_\_\_\_\_ BA# \_\_\_\_\_ Pkt.# \_\_\_\_\_

Attachment: BA 01 12-01 fund bal to website (1121 : Budget Amendment for \$14,500 to Revamp City Website)

Item No. \_\_\_\_\_

Date: December 1, 2015

## **AGENDA ITEM COMMENTARY**

**ITEM TITLE:** Budget Amendment in the Amount of \$2,000 Recognizing the Use of Un-Budgeted Surplus (Fund Balance) and Appropriating it to Purchase iPads for City Council.

**INITIATOR:** Elizabeth Smith

**STAFF INFORMATION SOURCE:** Jan Neufeld

**STAFF RECOMMENDATION:** Stated Council Action

**City of Altus**  
**Budget Amendment FY 2015-2016**  
**General Fund**

**Estimated Revenue or Fund Balance**

Fund Number	Account Number	Department	Description	Balance Before Amendment	Amount of Amendment Increase (Decrease)	Balance After Amendment
01	418450	City Revenues	Fund Balance		2,000.00	2,000.00
						-
						-
			Total		2,000.00	

**Appropriations**

Fund Number	Account Number	Department	Description	Balance Before Amendment	Amount of Amendment Increase (Decrease)	Balance After Amendment
01	5-29-5301.120	IT	iPads for Council		2,000.00	2,000.00
						-
						-
						-
						-
						-
						-
						-
						-
			Total		2,000.00	

Approved by the City Council this  
1st Day of December 2015

This amendment recognizes the use of unbudgeted surplus (fund balance) and  
appropriates it for the purchase of iPads for the City Council.

Approved:

Mayor

Attest:

City Clerk

Posted By \_\_\_\_\_ Date \_\_\_\_\_ BA# \_\_\_\_\_ Pkt.# \_\_\_\_\_

Attachment: BA 01 12-01 fund bal to iPads [Revision 1] (1122 : Budget Amendment for \$2,000 for the Purchase of iPads)



Item No. \_\_\_\_\_

Date: December 1, 2015

## **AGENDA ITEM COMMENTARY**

**ITEM TITLE:** Consider, Discuss and Vote to Either Approve the Regular Meeting Dates for the Altus City Council for Calendar Year 2016, or Vote to Change Scheduled Date(S) to Alternate Date(S) as Recommended by the Council Members.

**INITIATOR:** Linda Walker

**STAFF INFORMATION SOURCE:** Linda Walker

**BACKGROUND:** Each year before December 15, it is a requirement to post the scheduled meetings dates for the coming year. For 2016, there is a conflict with the March 15 meeting date as this is the week of Quail Breakfast as well as Spring Break for schools. The Council might want to choose an alternate date for the City Council meeting.

**FUNDING:** N/A

**EXHIBITS:** 1) Meeting dates for calendar year 2016 for the Altus City Council; and 2) 2016 calendar.

**COUNCIL ACTION:** Vote to either approve the regular meeting dates for the Altus City Council for calendar year 2016, or vote to change scheduled date(s) to alternate date(s) as recommended by the Council Members.

**STAFF RECOMMENDATION:** Stated Council Action



<b>2016 CALENDAR YEAR - SCHEDULE OF REGULAR MEETINGS</b>		
<b>CITY COUNCIL</b>		
<b>DATE</b>	<b>TIME</b>	<b>PLACE</b>
January 5, 2016	6:30 p.m.	Council Chambers
January 19, 2016	6:30 p.m.	Council Chambers
February 2, 2016	6:30 p.m.	Council Chambers
February 16, 2016	6:30 p.m.	Council Chambers
March 1, 2016	6:30 p.m.	Council Chambers
March 15, 2016	6:30 p.m.	Council Chambers
April 5, 2016	6:30 p.m.	Council Chambers
April 19, 2016	6:30 p.m.	Council Chambers
May 3, 2016	6:30 p.m.	Council Chambers
May 17, 2016	6:30 p.m.	Council Chambers
June 7, 2016	6:30 p.m.	Council Chambers
June 21, 2016	6:30 p.m.	Council Chambers
July 5, 2016	6:30 p.m.	Council Chambers
July 19, 2016	6:30 p.m.	Council Chambers
August 2, 2016	6:30 p.m.	Council Chambers
August 16, 2016	6:30 p.m.	Council Chambers
September 6, 2016	6:30 p.m.	Council Chambers
September 20, 2016	6:30 p.m.	Council Chambers
October 4, 2016	6:30 p.m.	Council Chambers
October 18, 2016	6:30 p.m.	Council Chambers
November 1, 2016	6:30 p.m.	Council Chambers
November 15, 2016	6:30 p.m.	Council Chambers
December 6, 2016	6:30 p.m.	Council Chambers
December 20, 2016	6:30 p.m.	Council Chambers

Attachment: CITY COUNCIL MEETINGS (1119 : Meeting Dates)

Filed in the office of the City Clerk this \_\_\_\_\_ day of \_\_\_\_\_, 2015 at \_\_\_\_\_ a.m./p.m.

Signed \_\_\_\_\_ City Clerk / Deputy Clerk.

### January

Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

### February

Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29					

### March

Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

### April

Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

### May

Su	M	Tu	W	Th	F	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

### June

Su	M	Tu	W	Th	F	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

### July

Su	M	Tu	W	Th	F	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

### August

Su	M	Tu	W	Th	F	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

### September

Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

### October

Su	M	Tu	W	Th	F	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

### November

Su	M	Tu	W	Th	F	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

### December

Su	M	Tu	W	Th	F	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Jan 01	New Year's Day
Jan 18	Martin Luther King Day
Feb 08	Chinese New Year
Feb 10	Ash Wednesday
Feb 12	Lincoln's Birthday
Feb 14	Valentine's Day
Feb 15	President's Day
Mar 13	Daylight Saving (begin)
Mar 17	St. Patrick's Day
Mar 20	Vernal equinox
Mar 27	Easter
Apr 01	April Fool's Day
Apr 15	Taxes Due
Apr 27	Admin Assistants Day
May 05	Cinco de Mayo
May 08	Mother's Day
May 15	Pentecost
May 30	Memorial Day
Jun 14	Flag Day
Jun 19	Father's Day
Jun 20	June Solstice
Jul 04	Independence Day
Sep 05	Labor Day
Sep 11	Patriot Day
Sep 22	Autumnal equinox
Oct 10	Columbus Day
Oct 16	Boss's Day
Oct 31	Halloween
Nov 06	Daylight Saving (end)
Nov 11	Veterans Day
Nov 24	Thanksgiving
Dec 21	December Solstice
Dec 25	Christmas Day
Dec 26	Kwanzaa Begins
Dec 31	New Year's Eve

Item No. \_\_\_\_\_

Date: December 1, 2015

## **AGENDA ITEM COMMENTARY**

**ITEM TITLE:** Consider, Discuss and Vote to Award Banking Services to the Best Bidder(S) as Recommended by Staff Based on Proposals Received.

**INITIATOR:** City Clerk/Treasurer and Chief Finance Officer

**STAFF INFORMATION SOURCE:** City Clerk/Treasurer and Chief Financial Officer

**BACKGROUND:** RFPs were hand delivered to local banks and mailed and emailed to out of town banks on September 21, 2015, with our deadline and opening date as November 2, 2015. RFPs were sent to: Arvest Bank, BancFirst, Bank of America, Bank of Oklahoma Bank, SNB, First United Bank, First National Bank of Altus, Herring Bank, JP Morgan Chase Bank MidFirst Bank, NBC Bank, RCB, Shamrock Bank, Stockman's Bank and UMB. Selected bidder(s) are to be notified December 2, 2015 with services commencing January 2, 2016.

**FUNDING:** N/A

**EXHIBITS:** 1) RFP as delivered to banks; 2) blank score sheet (completed score sheet will be sent out via email by Monday evening)

**COUNCIL ACTION:** Vote to award Banking Services to the Best Bidder(s) as Recommended by Staff Based on Proposals Received.

**STAFF RECOMMENDATION:** Stated Council Action

***CITY OF ALTUS***  
***REQUEST FOR PROPOSAL***  
***for***  
***BANKING SERVICES***

PREPARED BY: Debbie Davis

Name: Debbie Davis

Address: 509 S. Main,  
Altus OK 73521

Phone: 580-481-2244

Email: ddavis@altusok.gov

Date: September 21, 2015

Attachment: RFP (1118 : Bank RFPs)

## City of Altus Terms & Conditions

1. Proposals must be submitted in accordance with the terms and conditions contained in this Request for Proposal (hereinafter "RFP").
2. By submitting this RFP, vendor acknowledges and approves the terms and conditions established by The City of Altus (the "City") in this RFP. These terms and conditions may not be altered by the vendor, either by the terms of the proposal or by any acknowledgement or attachment.
3. The City will not be liable for any expressed or implied expenses incurred by the financial institution in preparing this RFP.
4. It is the bidder's responsibility to examine the proposal and return, sign and notarize (if applicable) all required forms. RFP's shall be typewritten or written in ink. Pencil RFP's will not be accepted. Erasures or changes shall be initialed by the authorized individual signing this RFP.
5. The City is exempt from Federal and State Taxes. A tax exemption certificate will be provided by the Purchasing Department upon request by the vendor.
6. RFP's shall be placed in a sealed envelope bearing the bidder's company name and address with reference to the date and time of the RFP opening. Facsimile and telephone RFP's are unacceptable. RFP's received after the stated RFP opening date and time shall not be accepted and shall be returned unopened to the vendor. The City is not responsible for delays in the delivery of mail by the U.S. Postal Service, private couriers, or any other means of delivery. RFP's shall be delivered to The City of Altus' City Clerk's Office at the above stated address.
7. During the evaluation process, the City reserves the right, where it may serve the City's best interest, to request additional information or clarification from a financial institution or to allow corrections of errors or omissions.
8. The City reserves the right to reject any or all proposals submitted. The City reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected.
- 9. Contracts resulting from this RFP may be awarded on an "All or None" basis, or by individual item or grouped items, whichever is deemed to be in the best interest of the City.**
10. The contract should be viewed as a potential five (5) year commitment. The initial contract term will be January 2, 2016 through January 1, 2017 and award will include four (4) additional one (1) year options to renew the contract under the same terms and conditions.
11. Your proposal, submitted in response to this RFP, constitutes an irrevocable offer and, when accepted by the City of Altus, constitutes a firm and binding contract.

### 12. Timeline:

<u>Date</u>	<u>Time</u>	
September 21, 2015	n/a	RFP mailed to all local and current banking institution
November 2, 2015	11:00 a.m.	Opening Date for Proposals
December 2, 2015	n/a	Selected Institution Notified.
January 2, 2016	n/a	Services commence

### 13. Inquiries:

All inquiries concerning this proposal shall be received no later than 5 p.m. CST on October 15, 2015.

Send questions via email to:

Name: Debbie Davis

Phone: 580-481-2244

Email: ddavis@altusok.gov

Attachment: RFP (1118 : Bank RFPs)

# City of Altus

## REQUEST FOR PROPOSAL FOR BANKING SERVICES

### CERTIFICATION OF BID PROPOSAL

I, the undersigned individual, hereby certifies that this proposal is submitted in response to City of Altus' Request for Proposal for Banking Services. I further acknowledge the agreement of all terms and conditions included as part of the RFP, and that this proposal is submitted as an irrevocable offer and, when accepted by the City of Altus, constitutes a firm and binding contract.

I understand that contracts resulting from this RFP may be awarded on an "All or None" basis, or by individual item or grouped items, whichever is deemed to be in the best interest of the City.

I further certify that the prices submitted in this proposal are guaranteed for a period of ninety (90) days from the proposal deadline date.

\_\_\_\_\_  
Vendor Name

\_\_\_\_\_  
Vendor Address

\_\_\_\_\_  
City, State, Zip

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Signature of Authorized Official

\_\_\_\_\_  
Date

\_\_\_\_\_  
Vendor FEI Number

Services to be considered for:

\_\_\_\_ Depository Services

\_\_\_\_ Lockbox Services

\_\_\_\_ Merchant Services

\_\_\_\_ Investments

\_\_\_\_ Purchase Cards

\_\_\_\_ ATM Kiosk

Attachment: RFP (1118 : Bank RFPs)



# City of Altus

## REQUEST FOR PROPOSAL FOR BANKING SERVICES

### **SPECIFICATIONS FOR PROPOSAL**

The City is soliciting the services of financial institutions to provide depository/banking services in accordance with the provision contained in this Request For Proposal.

#### A. Financial Strength and Organizational Structure

- I. Identify key measures of the bank's financial strength, e.g., capital ratios and market capitalization. What is the total of all assets of the Bank? Identify the total assets of the holding company of the Bank separately from the assets of the Oklahoma-chartered Bank to be furnishing the services in the RFP.
- II. Discuss the financial stability and credit quality of the Bank. Is the Bank a subsidiary of another organization? Provide the primary capital to assets and return on assets for the past two (2) years for periods ending December 31. Provide ratings for the Bank and its holding company from two (2) or more nationally recognized rating agencies: Standard & Poor's, Moody's, Thomson Bank Watch, Sheshunoff, or Lace. Include ratings, if applicable, for senior debt, subordinated debt, commercial paper and long-term deposits. Please list all rating changes for the past two (2) years.
- III. Briefly describe the organizational structure of the Bank, and the departments which will oversee the portions of the contract on which the Bank is submitting a proposal.
- IV. Please describe your overall commitment to us if we were to be your client?
- V. Please provide three (3) references who are public funds or government-related banking services customers of one (1) year or more. Please provide the name, title, address and telephone number of reference contacts.

#### B. Customer Service

- I. Describe your approach to client service. How are resources assigned to your clients? Do you provide a dedicated customer service associate for our business with your bank? If so, is this representative local to where we are located?
- II. Please describe the hours of operation for your Client Service department.
- III. How are after-hours and emergency needs handled? What is the process of providing backup coverage when our primary point of contact with your bank is not available?

Attachment: RFP (1118 : Bank RFPs)

- IV. Does your bank track and monitor client satisfaction? Do you have a department dedicated to soliciting feedback from your clients regarding products and services provided? If you capture quantitative and qualitative measurements, can you share them with us?
- V. Does your bank provide education to clients about treasury services products and services, industry trends, best practices, technology advances and other topics that may help us improve our operations? If so, how many programs are provided per year and what are the methods for education offered? How would we participate in those programs?
- VI. What distinguishes your bank from other banks?

#### C. Disaster Recovery

- I. Describe the procedures established for disaster recovery in the event of a systems failure or other disaster at the bank's primary processing site.
- II. Describe preventative measures to avoid a disruption to your bank's processing systems, procedures, facilities, communication links, and personnel.
- III. What arrangements are made regarding service level agreements in the event of a disaster? Disaster recovery processing and business continuity after a disaster should not be taken into account for service level agreements. The standards agreed to in a SLA are for "business as usual" processing conditions.
- IV. How often are plans reviewed, approved, and kept in compliance?
- V. Is there a "hot" backup processing site? Describe its location and capabilities. Is there an alternative backup processing site? If yes, describe its location and capabilities. How far is the backup site(s) from the primary processing site? Do the backup and primary sites share any communication linkages?
- VI. How long does it take to activate a backup processing site? How long can you stay at the site?
- VII. How often do you test disaster recovery procedures? When was the plan last tested?

#### D. Account Options

- I. Pledged Securities/Letters of Credit:
  - a. The Depository Bank will be required to pledge securities/or purchase Letters of Credit (as described below) toward balances in excess of the \$250,000 FDIC coverage.
  - b. Collateralization must be at 110% of the City's bank balances.
  - c. Pledged Securities:
    - Direct obligations of the U.S. government, its agencies and Instrumentalities of which the full faith and credit of the Government of the United States is pledged.
    - Obligations of which the full faith and credit of the State of Oklahoma is pledged. Monthly reports reflecting market and book values of securities pledged sent to the City.

d. Letters of Credit.

- An irrevocable letter of credit issued in favor of the City of Altus by a Federal Home Loan Bank, whose commercial paper and other unsecured short-term debt obligations are rated in the highest rating category by at least one nationally recognized statistical rating organization.

II. Bank Accounts:

- Describe the banks Public Funds account and how the interest is calculated.
- Describe the banks automated sweep options and how the interest is calculated.

E. Receivable Solutions

I. ACH:

- Do you provide ACH origination services? If so, please describe the different options available to create and send ACH items.
- What is your deadline for originating items? In case of emergencies, what is the deadline for a client to initiate an ACH file prior to the settlement date?
- How are client's notified of incoming ACH items? What kinds of reports are available? Are they customizable? Is a transmission available?
- Do you provide an online inquiry service where clients can review their processed ACH transactions, return items, notice of changes, and/or initiate a reversal or a reclamation transaction?
- Can a client refuse receipt of incoming ACH items? Please describe how this works.
- Are there any file requirements on custom built ACH files?
- What ACH service features does the bank have that distinguish it from other banks?

II. Depository Services:

- Where are your branches located in proximity to the following locations: The City of Altus, 509 S. Main, Altus OK.
- What are cut-off times for same day ledger credit?
- Are your branches open on weekends? Please describe how deposits made during the weekend or on a holiday are processed.
- Are customers required to use special deposit bags, can they mix checks and cash, and is there a per day dollar limit of cash deposits made at the branch?
- What other depository features does the bank have that distinguish it from other banks?
- Depository bank shall be able to provide a paperless payroll card/cash card for employees who do not wish to have direct deposit so the City can remain paperless in our payroll process.
- Deposits received prior to the end of the banking day (please identify time) must be counted and posted by the close of business of the same day.
- The City requires the ability to night drop locking bags to be picked up the next working day.
- Depository bank shall accept all electronic fund transfers. ACH transactions and transmit ACH credit and debit entries as initiated by the City.
- Depository bank shall be able to provide direct deposit capabilities whereas the City's employees may have payroll checks electronically deposited to any designated bank checking or savings account over the ACH network.

### III. Lockbox Services:

- a. Does your bank offer lockbox services? Do you provide wholesale and retail lockboxes? If so, please describe your capability and experiences offering this service.
- b. Please provide the number of clients you provide these services for and the industries they represent. Please describe how long you've offered this service and how many items you process annually in numbers and dollars.
- c. Please provide the number of remittances processing payment sites you have in the US and where they are located.
- d. How often is mail picked up at the post office? Please provide your schedule.
- e. Please explain your lockbox process workflow.
- f. Please describe product tools or services you offer that will allow us to access the checks, remittance images and correspondence processed in the lockbox online. For what period of time is the information available online?
- g. Please describe the security associated with this product that protects our data.
- h. Does your system allow us to access all incoming payment types through one portal?
- i. How soon after you process an item in lockbox can we view that item?
- j. Do you offer electronic transmission of remittance data that we can post to our system for payment application? If so, please describe the file formats available, methods of transmission and deadlines.
- k. Are all your locations integrated?
- l. In the case of an automated equipment or system failure, please describe your disaster recovery plans.
- m. Can images from various payments received be indexed using specific search criteria so that we could easily upload those images into our internal imaging system?
- n. What other lockbox features does the bank have that distinguish it from other banks?

### IV. Remote Corporate Capture:

- a. Provide a brief description and general workflow of your Remote Corporate Capture service capabilities. Attach any diagrams that would assist in understanding the services.
- b. How many clients do you have using the remote deposit option? How many processing sites do you have?
- c. Is there a limit to the number of files that can be submitted on a daily basis?
- d. Can your remote deposit capture application process money orders, travelers checks, official bank checks, and foreign items?
- e. What controls are in place to ensure that all checks transmitted to the bank are processed only once by the bank?
- f. Does your remote deposit capture application software have the capability of allowing edits in the form of excluded routing (ABA) and/or account numbers? Would these edits be capable of "kicking out" a check as an exception at the time it is scanned?
- g. Does the Bank offer user accounting functions? For example, are there user data fields that can be entered and captured through a download function with the idea in mind that the user could use the extract to post to its books?
- h. Will all remote deposits receive same-day ledger credit? What is the deadline to receive same-day ledger credit?

### V: Image Cash Letter

- a. Does your bank offer Image Cash Letter? If so, please describe.

### VI: Merchant Services:

- a. Does your bank offer Merchant Services? If so, please describe.
- b. Can your bank use authorize.net as a gateway? Please enclose a copy of your merchant service fees.

## VII: Online Payment Solution

- a. Does your bank offer a web-payment solution?

## F. Electronic Banking

- a. Do you offer online reporting?
- b. Does your online reporting service provide both prior and current-day information?
- c. Does it provide full descriptive text on all transactions (i.e., Wire and ACH) to support reconciliation processes?
- d. Please provide a list of all reports that are available through your online service. Can reports be saved as an Excel or PDF file?
- e. Are we able to customize online reports? If so, what customization options are available?
- f. Please explain the administration of users IDs and entitlements for the online reporting service.
- g. Please describe the control capability for certain users to access accounts and features on your online reporting system.
- h. Please describe your security measures in place to assure our data is private and cannot be compromised.
- i. What other online reporting features does the bank have that distinguish it from other banks?

## G. Disbursement Services

### I. Account Reconciliation:

- a. What types of account reconciliation do you offer?
- b. In what media are check images provided?
- c. How long are checks retained?
- d. Describe your input/output methods.
- e. What reporting options are available?
- f. What other reconciliation features does the bank have that distinguish it from other banks?

### II. Fraud Prevention Services:

- a. Describe the fraud prevention services you offer for Public Fund accounts.

### III. Positive Pay:

- a. Do you provide positive pay?
- b. Please describe your positive pay process flow.
- c. Please describe how clients send check-issue files to the bank. What connectivity/transmission methods are available? What types of file formats are available?
- d. Does your issue-file interface with your teller line and if so, please describe the process in detail. Please provide a flow chart showing the work flow.
- e. How does your decision process work and what are the deadlines?
- f. Do you provide check images for clients to view when making a decision?
- g. How are clients notified of exceptions?
- h. What other positive pay features does the bank have that distinguish it from other banks?

- H. Provide and maintain ATM kiosk located in the main lobby of the City Complex located at 509 S. Main, Altus OK.
- I. Corporate Purchase Cards for Key City Employees.
  - a. Does your Institution offer a Corporate Rebate Program? Please enclose a rebate schedule.
- J. Investments: Describe in detail investment options your institution provides. At what limit is your Institution willing to collateralize the City of Altus investments and program details.
- K. Fee Proposal
  - I. Please provide the financial institutions proposed fees.  
Please see attached analysis statements

Attachment: RFP (1118 : Bank RFPs)

## 2015 Banking Services RFP Scoring Matrix Depository Services -

Tasks to Be Performed	Task Offered		0 - Does not meet needs  1 - Somewhat meets needs  3 - Completely meets needs  5 - Exceeds needs & offers additional viable solution
	Yes	No	
<b>A. Financial Strength &amp; Organizational Structure</b>			
I. Identify key measures of bank's strength, e.g. capital ratios and market capitalization. Total of all assets of the Bank? The total assets of the holding company of the Bank Separately form assets of Oklahoma-chartered Bank to be furnishing the services in the RFP.			
II. Financial stability and credit quality of the Bank. Is bank a subsidiary of another organization? Primary capital to assets and return on assets for past 2 years for period ending December 31. Provide rating for the Bank and its holding company from 2 or more nationally recognized rating agencies. Senior debt, subordinated debt, commercial paper and long-term deposits. List changes for the past 2 years			
III. Describe organizational structure of the Bank and the departments which will oversee the portions of the contract on which the Bank is submitting a proposal.			
IV. Describe overall commitment to us if we were to be your client?			
V. Provide 3 references who are public funds or government-related banking services customers of 1 year or more. Provide name, title, address and telephone number of reference contacts.			
<b>B, Customer Service</b>			
I. Describe approach to client service. How are resources assigned to your clients? Do you provide dedicated customer service associate for our business with your bank? If so is he/she local?			
II. Please describe the hours of operation for your Client Service department			

Attachment: bank rfp score sheet (1118 : Bank RFPs)

## 2015 Banking Services RFP Scoring Matrix Depository Services -

III. How are after-hours emergency needs handled? What is the process of providing backup coverage when our primary point of contact with your bank is not available?			
IV. Does your bank track and monitor client satisfaction? Do you have a department dedicated to soliciting feedback from your clients regarding products and services provided? If you capture quantitative and qualitative measurements, can you share them with us?			
V. Does your bank provide education to clients about treasury services products and services, industry trends, best practices, technology advances and other topics that may help us improve our operations? If so, how many programs are provided per year and what are the methods for education offered? How would we participate in those programs?			
VI. What distinguishes your bank from other banks?			
<b>C. Disaster Recovery</b>			
I. Describe the procedures established for disaster recovery in the event of a systems failure or other disaster at the bank's primary processing site.			
II. Describe preventative measures to avoid a disruption to your bank's processing systems, procedures, facilities, communication links, and personnel.			
III. What arrangements are made regarding service level agreements in the event of a disaster? Disaster recovery processing and business continuity after a disaster should not be taken into account for service level agreements. The standards agreed to in a SLA are for "business as usual" processing conditions.			
IV. How often are plans reviewed, approved, and kept in compliance?			
V. Is there a "hot" backup processing site? Describe its location and capabilities. Is there an alternative backup processing site? If yes, describe its location and capabilities. How far is the backup site(s) from the primary processing			

Attachment: bank rfp score sheet (1118 : Bank RFPs)



## 2015 Banking Services RFP Scoring Matrix Depository Services -

site? Do the backup and primary site share any communication linkages?			
VI. How long does it take to activate a backup processing site? How long can you stay at the site?			
VII. How often do you test disaster recovery procedures? When was the plan last tested?			
<b>D. Account Options</b>			
I. Pledged Securities/Letters of Credit: <ul style="list-style-type: none"> <li>a. The Depository Bank will be required to pledge securities/or purchase Letters of Credit (as described below) toward balances in excess of the \$250,000 FDIC coverage.</li> <li>b. Collateralization must be at 110% of the City's bank balances</li> <li>c. Pledged Securities:               <ul style="list-style-type: none"> <li>- Direct obligations of the U.S. government, its agencies and Instrumentalities of which the full faith and credit of the Government of the United States is pledged.</li> <li>- Obligations of which the full faith and credit of the State of Oklahoma is pledged. Monthly reports reflecting market and book values of securities pledged sent to the City.</li> </ul> </li> <li>d. Letters of Credit               <ul style="list-style-type: none"> <li>- An irrevocable letter of credit issued in favor of the City of Altus by a Federal Home Loan Bank, whose commercial paper and other unsecured short-term debt obligations are rated in the highest rating category by at least one nationally recognized statistical, rated organization</li> </ul> </li> </ul>			
II. Bank Accounts: <ul style="list-style-type: none"> <li>a. Describe the banks Public Funds account and how the interest is calculated.</li> <li>b. Describe the banks automated sweep options and how the interest is calculated.</li> </ul>			

Attachment: bank rfp score sheet (1118 : Bank RFPs)

## 2015 Banking Services RFP Scoring Matrix Depository Services -

E. Receivable Solutions			
<p>I. ACH:</p> <p>a. Do you provide ACH origination services? If so, please describe the different options available to create and send ACH items.</p> <ol style="list-style-type: none"> <li>1. What is your deadline for originating items? In case of emergencies, what is the deadline for a client to initiate an ACH file prior to the settlement date?</li> <li>2. How are clients notified of incoming ACH items? What kinds of reports are available? Are they customizable? Is a transmission available?</li> <li>3. Do you provide an online inquiry service where clients can review their processed ACH transactions, return items, notice of changes, and/or initiate a reversal or a reclamation transaction?</li> <li>4. Can a client refuse receipt of incoming ACH items? Please describe how this works.</li> <li>5. Are there any file requirements on custom built ACH files?</li> </ol> <p>II. What ACH service features does the bank have that distinguish it from other banks?</p>			
<p><b>F. Depository Services:</b></p> <ol style="list-style-type: none"> <li>a. Where are your branches located in proximity to our location?</li> <li>b. What are cut-off times for same day ledger credit?</li> <li>c. Are your branches open on weekends? Please describe how deposits made during the weekend or on a holiday are processed.</li> <li>d. Are customers required to use special deposit bags, can they mix checks and cash and is there a per day dollar limit of cash deposits made at the branch?</li> <li>e. What other depository features does the bank have that distinguishes it from other banks?</li> <li>f. Depository bank shall be able to provide paperless payroll card/cash card for employees who do not wish to have direct deposit so the City can remain paperless in our payroll process.</li> <li>g. Deposits received prior to the end of the banking day (please identify time) must be counted and posted by the close of business of the same day.</li> <li>h. The City requires the ability to night drop locking bags to be picked up the next working day.</li> </ol>			

Attachment: bank rfp score sheet (1118 : Bank RFPs)

## 2015 Banking Services RFP Scoring Matrix

### Depository Services -

<ul style="list-style-type: none"> <li>i. Depository bank shall accept all electronic fund transfers. ACH transactions and transmit ACH credit and debit entries as initiated by the City.</li> <li>j. Depository bank shall be able to provide direct deposit capabilities whereas the City's employees may have payroll checks electronically deposited to any designated bank checking or savings account over the ACH network.</li> </ul>			
<p><b>G. Lockbox Services</b></p> <ul style="list-style-type: none"> <li>a. Does your bank offer lockbox services? Do you provide wholesale and retail lockboxes? If so, please describe your capability and experiences offering this service.</li> <li>b. Please provide the number of clients you provide these services for and the industries they represent. Please describe how long you've offered this service and how many items you process annually in numbers and dollars.</li> <li>c. Please provide the number of remittances processing payment sites you have in the US and where they are located.</li> <li>d. How often is mail picked up at the post office? Please provide your schedule.</li> <li>e. Please explain your lockbox process workflow.</li> <li>f. Please describe product tools or services you offer that will allow us to access the checks, remittance images and correspondence processed in the lockbox online. For what period of time is the information available online?</li> <li>g. Please describe the security associated with this product that protects our data.</li> <li>h. Does your system allow us to access all incoming payment types through one portal?</li> <li>i. How soon after your process an item in lockbox can we view that item?</li> <li>j. Do you offer electronic transmission of remittance data that we can post to our system for payment application? If so, please describe the file formats available, methods of transmission and deadlines.</li> <li>k. Are all your locations integrated?</li> </ul>			

## 2015 Banking Services RFP Scoring Matrix Depository Services -

<ul style="list-style-type: none"> <li>I. In the case of an automated equipment or system failure, please describe your disaster recovery plans.</li> <li>m. Can images from various payments received be indexed using specific search criteria so that we could easily upload those images into our internal imaging system?</li> <li>n. What other lockbox features does the bank have that distinguish it from other banks?</li> </ul>			
<ul style="list-style-type: none"> <li>II. Remote Corporate Capture: <ul style="list-style-type: none"> <li>a. Provide a brief description and general workflow of your Remote Corporate Capture service capabilities. Attach any diagrams that would assist in understanding the services.</li> <li>b. How many clients do you have using the remote deposit option? How many processing sites do you have?</li> <li>c. Is there a limit to the number of files that can be submitted on a daily basis?</li> <li>d. Can your remote deposit capture application process money orders, traveler's checks, official bank checks, and foreign items?</li> <li>e. What controls are in place to ensure that all checks transmitted to the bank are processed only once by the bank?</li> <li>f. Does your remote deposit capture application software have the capability of allowing edits in the form of excluded routing (ABA) and/or account numbers? Would these edits be capable of "kicking out" a check as an exception at the time it is scanned?</li> <li>g. Does the Bank offer user accounting functions? For example: Are there user data fields that can be entered and captured through a download function with the idea in mind that the user could use the extract to post to its books?</li> <li>h. Will all remote deposits receive same-day ledger credit? What is the deadline to receive same-day ledger credit?</li> </ul> </li> </ul>			
<ul style="list-style-type: none"> <li>II. Image Cash Letter <ul style="list-style-type: none"> <li>a. Does your bank offer Image Cash Letter? If so, please describe.</li> </ul> </li> </ul>			
<ul style="list-style-type: none"> <li>III. Merchant Services <ul style="list-style-type: none"> <li>a. Does your bank offer Merchant Services? If so, please describe.</li> </ul> </li> </ul>			

Attachment: bank rfp score sheet (1118 : Bank RFPs)

## 2015 Banking Services RFP Scoring Matrix

### Depository Services -

b. Can your bank use authorize.net as a gateway? Please enclose a copy of your merchant service fees.			
II. Online Payment Solution Does your bank offer a web-payment solution?			
<b>H. Electronic Banking</b>			
a. Do you offer online reporting? b. Does your online reporting service provide both prior and current-day information? c. Does it provide full descriptive text on all transactions (i.e., Wire and ACH) to support reconciliation processes? d. Please provide a list of all reports that are available through your online service. Can reports be saved as an Excell or PDF file? e. Are we able to customize online reports? If so, what customization options are available? f. Please explain the administration of users IDs and entitlements for the online reporting service. g. Please describe the control capability for certain users to access accounts and features on your online reporting system. h. Please describe your security measures in place to assure our data is private and cannot be compromised. What other online reporting features does the bank have that distinguishes it from other banks?			
<b>I. Disbursement Services</b>			
I. Account Reconciliation a. What types of account reconciliation do you offer? b. In what media are check images provided? c. How long are checks retained? d. Describe your input/output methods. e. What reporting options are available? What other reconciliation features does the bank have that distinguishes it from other banks?			
<b>J. Fraud Prevention Services:</b> Describe the fraud prevention services you offer for Public Fund accounts.			
<b>K. Positive Pay:</b> a. Do you provide positive pay? b. Please describe your positive pay process flow.			

Attachment: bank rfp score sheet (1118 : Bank RFPs)

## 2015 Banking Services RFP Scoring Matrix Depository Services -

<p>c. Please describe how clients send check-issue files to the bank. What connectivity/transmission methods are available? What types of file formats are available?</p> <p>d. Does your issue-file interface with your teller line and if so, please describe the process in detail. Please provide a flow chart showing the work flow.</p> <p>e. How does your decision process work and what are the deadlines?</p> <p>f. Do you provide check images for clients to view when making a decision?</p> <p>g. How are clients notified of exceptions?</p> <p>h. What other positive pay features does the bank have that distinguishes it from other banks?</p>			
L. Provide and maintain ATM kiosk located in the main lobby of the City Complex located at 509 S. Main, Altus OK			
<p>M. Corporate Purchase Cards for Key City Employees.</p> <p>a. Does your Institution offer a Corporate Rebate Program? Please enclose a rebate schedule.</p>			
N. Investments: Describe in detail investment options your Institution provides. At what limit is your Institution willing to collateralize the City of Altus Investments and program details.			
<p>O. Fee Proposal</p> <p>a. Please provide the financial institutions proposed fees.</p>			

Attachment: bank rfp score sheet (1118 : Bank RFPs)

Item No. \_\_\_\_\_

Date: December 1, 2015

## **AGENDA ITEM COMMENTARY**

**ITEM TITLE:** Consider, Discuss and Vote to Declare Surplus and Authorize Selling or Otherwise Disposing of City Owned Materials and Equipment.

**INITIATOR:** Linda Mutchler

**STAFF INFORMATION SOURCE:** Purchasing and Various Departments Throughout the City

**BACKGROUND:** The attached list of items are currently not in use by the City and are not going to be used in the foreseeable future. These items need to be declared surplus and disposed of in the most cost effective manner. We are planning to have an auction on February 6, 2016. Jason Herring Auctioneer was the lowest and best bid for auctioneer.

Section 2-111 of the City of Altus Code of Ordinances says that the Council must declare items surplus when the valuation of each particular item exceeds \$1000. Since the value of some of these items is difficult to determine, staff would like the Council to approve the entire list. Additionally, this item makes the Council aware of the auction and the main items that will be auctioned.

**FUNDING:** N/A

**EXHIBITS:** 1) List of AMA Surplus Items, 2) Section 2-111 of the Altus City Code

**CITY ACTION:** Vote to declare surplus and authorize selling or otherwise disposing of City owned materials and equipment.

**STAFF RECOMMENDATION:** Stated Council Action

[illegible]



[illegible]

## ADMINISTRATION

§ 2-113

## ARTICLE VI. SALES\*

**Sec. 2-111. City council declaration.**

The city council must declare surplus or obsolete any nonessential city stock, supplies, materials, or equipment where the valuation of the particular item exceeds one thousand dollars (\$1,000.00) prior to the selling of such supplies, materials, or equipment.  
(Ord. No. 2009-14, § 1, 9-17-09)

**Sec. 2-112. Competitive bidding required; exceptions.**

(a) Except as hereinafter provided, all sales of surplus, nonessential or obsolete supplies, materials, or equipment shall be made through competitive bidding at public auction, in person and/or online.

(b) Excepted from the requirement of competitive bidding or public auction are the sales of:

- (1) Nonessential, surplus or obsolete supplies, material, or equipment where individual value does not exceed one thousand dollars (\$1,000.00) in a single transaction.
- (2) Supplies, materials, or equipment when sold at a price at least as great as that paid by the city for the same.
- (3) Nonessential, surplus or obsolete supplies, materials or equipment that the council chooses by resolution to donate to other municipalities or not-for-profit agencies that will be used for public purposes by the gaining entity and will strengthen responses for mutual aid agreements.
- (4) Any item considered unclaimed or abandoned property as defined by 11 O.S. § 34-104 that is in the possession of the chief of police.
- (5) Any item that comes into the hands of the Altus Police Department through a lawful seizure.

(Ord. No. 2009-14, § 1, 9-17-09)

**Sec. 2-113. Competitive bidding or open market procedures.**

(a) After the mayor and/or his designee has made the determination that certain supplies, materials or equipment are nonessential, surplus or obsolete, he shall instruct the finance director and/or his designee to advertise these supplies, materials, or equipment for sale by either sealed bids or in the open market.

**\*Editor's note**—Ord. No. 2009-14, § 1, adopted Sept. 17, 2009, amended art. VI. in its entirety to read as herein set out. Former art. VI., §§ 2-111—2-113, pertained to similar material, and derived from Code 1958, §§ 351 and 352 and Ord. No. 86-03, § 1, adopted Feb. 4, 1986.

**State law references**—Public officer becoming interested in contract made by him, 21 O.S. 1971, § 344; contracts between city and councilmember, 62 O.S. 1971, § 371; sale or lease of municipal utility, 11 O.S. Supp. 1978, § 35-201 et seq.; disposal of airport property, 3 O.S. 1971, § 65.4; sale of property generally, 11 O.S. Supp. 1978, § 22-101.

Item No. \_\_\_\_\_

Date: December 1, 2015

## **AGENDA ITEM COMMENTARY**

**ITEM TITLE:** Consider, Discuss and Vote to Give 30 Days Written Notice to Terminate Collection Contract with American Municipal Services and to Enter into Contract for Collections with the Law Firm of Perdue Brandon Fielder Collins and Mott, LLP, After the Termination of the Contract.

**INITIATOR:** Elizabeth Smith

**STAFF INFORMATION SOURCE:** Jan Neufeld and Tracy Sullivan

**BACKGROUND:** The Utility Department has not seen as successful of collection efforts with the current collection agency (American Municipal Services) as anticipated. For this reason, both the City and the AMA would like to enter into a contract with the law firm of Perdue, Brandon, Fielder, Collins, and Mott, LLP to provide the collection services for the City of Altus and the Altus Municipal Authority. Both the AMA and City Contracts with American Municipal Services, as approved on August 16, 2011, allow the AMA/City to terminate the Collection Agreement upon thirty (30) days' written notice. Staff recommends that the AMA/City give the official written notice to terminate the American Municipal Services Contract and sign the new contract with this law firm to be dated after the 30-day period had expired, say around December 5, 2015.

**FUNDING:** 35% Collection fee added to receivables per the Contract and 11 O.S.A. Section 22-138.

**EXHIBITS:** 1) See AMA Exhibits; and 2) Contract for Collection Services with Perdue, Brandon, Fielder & Mott, L.L.P.

**COUNCIL ACTION:** Vote to Give 30 Days Written Notice to Terminate Collection Contract with American Municipal Services and to Enter into Contract for Collections with the Law Firm of Perdue Brandon Fielder Collins and Mott, LLP, After the Termination of the Contract.

**STAFF RECOMMENDATION:** Stated Council Action

Item No. \_\_\_\_\_

Date: December 1, 2015

## **AGENDA ITEM COMMENTARY**

**ITEM TITLE:** Consider, Discuss and Vote to Approve a Memorandum of Understanding (MOU) Between the City and the Oklahoma Department of Public Safety on Behalf of DPS Troop/Division M to Use the City's Emergency Operations Center (EOC) in an Emergency Situation Which Renders DPS Office's Office Space Unusable for Normal Operations, to Authorize Mayor to Sign the MOU or to Take Any Other Appropriate Action.

**INITIATOR:** Lloyd Colston EOC Director

**STAFF INFORMATION SOURCE:** City Attorney

**BACKGROUND:** The City's EOC Center is located at 1915 North Main Street. Although its official title is Oklahoma Department of Public Safety, DPS Troop/Division M office, it is commonly known as the OHP office, and is located at 901 North Veterans Drive. The purpose of this Memorandum of Understanding (MOU) is to allow the DPS Office to utilize office space in the City's EOC Center under certain conditions in order to provide essential functions and services during an emergency in accordance with FEMA Guidelines in an emergency situation. The type of emergency situation is described as an emergency situation which renders the DPS Office's office space at its location unavailable or unusable for normal operations. In that event, the DPS Office's Continuity of Operations (COOP) Plan would be activated by the Commissioner of DPS. [This MOU will need to be revised to correct the EOC address from 1800 North Main to its correct location of 1915 North Main, per EOC Director Lloyd Colston.]

**FUNDING:** N/A

**EXHIBITS:** Memorandum of Understanding (MOU) between the City and the Oklahoma Department of Public Safety for and on behalf of DPS Troop/Division M for the City to provide Office Space at the City's Emergency Operations Center (EOC).

**COUNCIL ACTION:** Vote to Approve a Memorandum of Understanding (MOU) Between the City and the Oklahoma Department of Public Safety on Behalf of DPS Troop/Division M to Use the City's Emergency Operations Center (EOC) in an Emergency Situation Which Renders DPS Office's Office Space Unusable for Normal Operations, to Authorize Mayor to Sign the MOU or to Take Any Other Appropriate Action.

**STAFF RECOMMENDATION:** Stated Council Action

## Oklahoma Department of Public Safety

DPS Troop/Division being Moved: M located in the City of ALTUS.

Name of Government Agency providing office space: CITY OF ALTUS EMERGENCY OPERATIONS CENTER , located in the City of ALTUS.

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**MEMORANDUM OF UNDERSTANDING**

**Between the  
Oklahoma Department of Public Safety for and on Behalf of  
DPS Troop/Division M  
and CITY OF ALTUS EMERGENCY OPERATIONS CENTER,  
the Government Agency providing Office Space to DPS**

This Memorandum of Understanding (MOU), dated as of the date of the signature hereto of the Commissioner of Public Safety ["Commissioner" herein], addresses the agreement between the Oklahoma Department of Public Safety (DPS) for and on behalf of DPS Troop/Division M, located at 901 NORTH VETERANS DRIVE, in the City of ALTUS ["DPS Office" hereinafter] and the CITY OF ALTUS EMERGENCY OPERATIONS CENTER, located at 1800 NORTH MAIN STREET, in the City of ALTUS ["Government Agency" hereinafter], for the DPS Office to use Government Agency's office space at Government Agency's aforesaid location in the event the DPS Office's Continuity of Operations (COOP) plan is activated by the Commissioner. The DPS Office's COOP plan would only be activated during some type of emergency situation which renders the DPS Office's office space at its aforesaid location unavailable or unusable for normal operations.

This MOU provides that the DPS Office may utilize office space at the Government Agency's aforesaid location for the DPS Office to provide essential functions and services during an emergency in accordance with guidelines established in the Federal Emergency Management Agency (FEMA) Federal Preparedness Circular (FPC) 65. This MOU reflects the following agreement between the parties hereto:

1. The DPS Office agrees to keep staff numbers to a minimum while working in office space at the Government Agency.
2. The DPS Office agrees to cooperate with any security or office procedures that the Government Agency has in place in order to continue with DPS operations at the Government Agency's location.
3. The Government Agency agrees to provide access, restroom facilities, office and parking space for DPS Office's staff at the Government Agency's aforesaid location.
4. The Government Agency agrees to permit the DPS Office to use the Government Agency's telephones, office equipment and to have access to Government Agency's

## Oklahoma Department of Public Safety

DPS Troop/Division being Moved: M located in the City of ALTUS.

Name of Government Agency providing office space: CITY OF ALTUS EMERGENCY OPERATIONS CENTER , located in the City of ALTUS.

network connections until the DPS Office can establish separate telephone and network connections to provide essential functions and services.

5. The Government Agency agrees to permit staff to assist DPS Information Services Division (IS) staff in the re-establishment of and access to necessary DPS computer systems, network and equipment.
6. The Government Agency agrees to permit DPS to store or "stage" equipment in a secured area at the Government Agency location.
7. The Government Agency agrees that this MOU will not be canceled without at least ninety (90) days advance written notice to the DPS Office by delivery to its Troop Commander or Division Director.

This MOU is mutually agreed upon by the following agency heads:

"DPS Office"

By: \_\_\_\_\_

Michael C. Thompson, Commissioner  
Oklahoma Department of Public Safety

\_\_\_\_\_  
Date

"Government Agency"

By: \_\_\_\_\_

\_\_\_\_\_  
Date

CITY OF ALTUS EMERGENCY OPERATIONS CENTER

Attachment: MOU DPS EOC 2015 (1117 : Approve MOU with DPS at EOC)

Item No. \_\_\_\_\_

Date: December 1, 2015

## AGENDA ITEM COMMENTARY

**ITEM TITLE:** Consider, Discuss and Vote to Approve Resolution No. 2015-\_\_\_\_\_Regarding Approval of the New Investment Policy for the City of Altus that Also Applies to the Altus Municipal Authority and Repealing Resolution No. 2002-33 and Any Other Resolutions or Parts of Resolutions in Conflict Herewith; And/Or Take Any Other Appropriate Action.

**INITIATOR:** City Clerk/Treasurer

**STAFF INFORMATION SOURCE:** City Clerk/Treasurer/Chief Financial Officer

**BACKGROUND:** The purpose of this item is to pass a Resolution approving a new Investment Policy for the City of Altus, as authorized by 62 O.S.A. Section 348.1. This Investment Policy will also apply to the Altus Municipal Authority. This new policy was developed using the GFOA's (Government Finance Officials Association) policy example closest to our population.

**FUNDING:** N/A

**EXHIBITS:** 1) New City of Altus OK Investment Policy, 2) Current City of Altus Investment Policy, 3) Resolution No. 2015-\_\_\_\_\_, 4) Excerpts from Oklahoma State Statutes: 62 O.S.A Sections 348.1 and 348.3.

**COUNCIL ACTION:** Vote to approve Resolution No. 2015-\_\_\_\_\_regarding approval of the new Investment Policy for the City of Altus that also applies to the Altus Municipal Authority and repealing Resolution No. 2002-33 and any other resolutions or parts of resolutions in conflict herewith, And/Or take any other appropriate action.

**STAFF RECOMMENDATION:** Stated Council Action

# City of Altus, Oklahoma **Investment Policy**

*Effective December 01, 2015*



**City of Altus, Oklahoma  
Investment Policy**

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1. Investment Vendor Acknowledgement
2. Broker-Dealer and Bank Questionnaires
3. Approved Investment Vendors List

## City of Altus, Oklahoma Investment Policy

### PREFACE

The purpose of this document is to establish specific investment policy and strategy guidelines for the City of Altus, Oklahoma (“City”) to achieve the goals of safety, liquidity, and yield for all investment activity. The City shall review its investment strategies and policy not less than annually. This policy serves to satisfy and conform with the constitution and laws of the State of Oklahoma and the Charter of the City of Altus, to define, adopt and review a formal investment strategy and policy. All available funds shall be invested in conformance with these legal and administrative guidelines.

Effective cash management is recognized as essential to good fiscal management. An aggressive cash management and investment policy will be pursued to take advantage of investment interest as viable and material revenue to all operating and capital funds. The City’s portfolio shall be designed and managed in a manner responsive to the public trust and consistent with state and federal law.

Investments shall be made with the primary considerations of:

- Preservation of capital and protection of principal
- Maintenance of sufficient liquidity to meet operating needs
- Security of City funds and investments
- Diversification of investments to avoid unreasonable or foreseeable risks
- Maximization of return on the portfolio

### SECTION 1. PURPOSE

#### 1-1. Authorization

This Policy is authorized by the City Council in accordance with the constitution and laws of the State of Oklahoma and the Charter of the City of Altus, which requires the adoption of a formal written Investment Policy.

#### 1-2. Goals

The primary goal of the City of Altus Investment Policy shall be: 1) to ensure the safety of all funds entrusted to the City; 2) to maintain the availability of those funds for the payment of all necessary obligations of the City; and 3) to provide for the investment of all funds, not immediately required, in interest-bearing securities or pooled investment products. The safety of the principal invested shall always be the primary concern.

#### 1-3. Scope

This Investment Policy of the City of Altus shall include all investment activities of any fund of the City. In addition to this Policy, bond funds, including debt service and reserve funds, shall be managed by their governing resolution, federal law, and subsequent relevant legislation. City funds may be pooled for investment purposes.

**City of Altus, Oklahoma  
Investment Policy**

**1-4. Review and Amendment**

This Policy may be amended from time to time as the City Council may so desire or as State Law may require. This Policy, which includes strategies for each fund or pooled fund group, shall be adopted by resolution by the City Council and shall be reviewed annually by the City Council. The fact that the Investment Policy has been reviewed and that any amendments have been made must be recorded by resolution.

**SECTION 2. INVESTMENT OBJECTIVES**

The City shall manage and invest its cash with four objectives, listed in order of priority: Preservation and Safety of Principal; Liquidity; Yield; and Prudence. All investments shall be designed and managed in a manner responsive to the public trust and consistent with State and Local Law.

Cash management is defined as the process of managing monies in order to increase cash availability and interest earnings on short-term investment of idle cash. The City shall maintain a comprehensive cash management program that includes the prudent investment of available cash.

**2-1. Preservation and Safety of Principal**

The primary objective of City investment activity is the preservation of principal in the overall portfolio. Each investment transaction shall be conducted in a manner designed to avoid loss of principal whether from securities defaults or erosion of market value. The manner in which the City ensures safety of principal is presented in Section 4.2, "Ensuring Safety of Principal."

**2-1-1 Credit Risk**

The City will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer by:

- a. Limiting investments to the types of securities listed in section 4-1 of this Investment Policy.
- b. Prequalifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business in accordance with Section 4-2-1-1.
- c. Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

**2-1-2 Interest Rate Risk**

The City will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:

- a. Structuring the portfolio so that securities mature to meet cash requirements for ongoing operations.

## City of Altus, Oklahoma Investment Policy

- b. Investing operating funds primarily in short-term securities, money market mutual funds, or similar investment pools and by limiting the average maturity of the portfolio in accordance with this policy.

### **2-2. Maintenance of Adequate Liquidity**

The City investment portfolio shall be structured so that the City is able to meet all obligations in a timely manner. Maintenance of adequate liquidity is described in Section 4.3, “Ensuring Liquidity.”

### **2-3. Return on Investments**

Consistent with State law, the City shall seek to optimize return on investments within the constraints of safety and liquidity. Investments (excluding assets managed under separate investment programs, such as in arbitrage restrictive programs) shall be made in permitted obligations at yields equal to or greater than the bond equivalent yield on United States Treasury obligations of comparable maturity. Other appropriate performance measures may be established by the Finance Advisory Committee. Specific policies regarding investment rate of return are presented in Section 4.4, “Achieving Investment Return Objectives.”

For bond issues to which Federal yield or arbitrage restrictions apply, the primary objectives shall be to obtain satisfactory market yields and to minimize the costs associated with investment of such funds.

### **2-4. Prudence and Ethical Standards**

The standard of prudence used by the City shall be the “prudent person rule” and shall be applied in the context of managing the overall portfolio within the applicable legal constraints. The prudent person rule is restated below:

“Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence would exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”

In determining whether the City Clerk-Treasurer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration the investment of all funds over which the Clerk-Treasurer had responsibility, rather than a consideration as to the prudence of a single investment, and whether the investment decision was consistent with the written Investment Policy of the City.

The City Clerk-Treasurer, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific security’s credit risk or market price changes, provided that these deviations are reported immediately.

Specific policies describing the City’s prudence and ethical standards are found in Section 4.5, “Responsibility and Control.”

**City of Altus, Oklahoma  
Investment Policy**

### **SECTION 3. INVESTMENT STRATEGY STATEMENT**

The City maintains portfolios that utilize four specific investment strategy considerations designed to address the unique characteristics of the fund groups represented in the portfolios. To maximize the effective investment of assets, all funds needed for general obligations may be pooled into one account for investment purposes. The income derived from this account will be distributed to the various funds based on their average balances on a periodic basis. Proceeds of bond issues shall not be pooled with other assets of the City, but shall be maintained in the fund issuing the bonds with interest earnings on these invested proceeds recorded directly to that fund.

#### **3-1. Operating Funds**

The investment strategy for operating funds has as its primary objective the assurance that anticipated cash flows are matched with adequate investment liquidity. The secondary objective is to create a portfolio structure which will experience minimal volatility during economic cycles. This may be accomplished by purchasing high-quality short-to medium-term securities. The dollar weighted average maturity shall be calculated in accordance with GASB requirements. The weighted average maturity of operating funds shall not exceed 548 days. Securities may not be purchased that have a final stated maturity date that exceeds five (5) years.

#### **3-2. Bond Debt Service Funds**

The investment strategy for bond debt service fund(s) has as its primary objective the assurance of investment liquidity adequate to cover the debt service obligation on the required payment date. Securities purchased shall not have a stated final maturity date that exceeds the next unfunded bond debt service payment date.

#### **3-3. Bond Reserve Funds**

The investment strategy for bond reserve fund(s) has as its primary objective the ability to generate a dependable revenue stream to the appropriate debt service fund from securities with a low degree of volatility. Securities should be of high quality and, except as may be required by the Bond Ordinance specific to an individual issue, of short-to-intermediate-term maturities. The stated final maturity dates of securities held shall not exceed five (5) years.

#### **3-4. Capital Projects Funds**

The investment strategy for capital projects funds portfolios has as its primary objective the assurance that anticipated cash flows are matched with adequate investment liquidity. These portfolios should include at least 10% in highly liquid securities to allow for flexibility and unanticipated project outlays. The stated final maturity dates of securities held should not exceed the estimated project completion date.

**City of Altus, Oklahoma  
Investment Policy**

## **SECTION 4. SPECIFIC INVESTMENT POLICIES**

### **4-1. Eligible Investments**

Investments described below are those authorized by the laws of the State of Oklahoma and the Charter of the City of Altus, as amended, which is made a part of this Policy. The following list may not contain all of those securities that are authorized by state statutes, but only those that the City Council wishes to include in their portfolios. The purchase of specific issues may at times be further restricted or prohibited because of current market conditions. City funds governed by this Policy may be invested in:

1. obligations of the United States or its agencies and instrumentalities;
2. direct obligations of the State of Oklahoma or its agencies;
3. other obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Oklahoma or the United States or its agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States;
4. obligations of states, agencies, counties, cities and other political subdivisions of any state having been rated of their own accord as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than AA or its equivalent, and with additional credit enhancement having received a rating of not less than AAA or its equivalent by a nationally recognized investment rating firm;
5. fully collateralized direct repurchase agreements: 1) having a defined termination date; 2) secured by a combination of cash and obligations described by subdivision 1 of this subsection; 3) having securities purchased by the City or cash held by the City pledged to the City, held in the City's name and deposited at the time the investment is made with the City with a third party selected and approved by the City; and 4) placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in Oklahoma, and having a market value (including accrued interest) of no less than the principal amount of the funds disbursed;
6. certificates of deposit:
  - a. issued by a depository institution with a main office or a branch office in Oklahoma and is:
    1. guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or,
    2. secured by obligations that are described by 1 - 4 above, which are intended to include all direct federal agency or instrumentality issues that have a market value of not less than the principal amount of the certificates or, in any other manner and amount provided by law for deposits of the City;
  - b. made in accordance with the following conditions:
    1. the funds are invested by the City through:
      - a) a broker that has its main office or a branch office in this state and is selected from a

**City of Altus, Oklahoma  
Investment Policy**

- list adopted by the City or,
  - b) a depository institution (“bank”) that has its main office or a branch office in this state and that is selected by the City;
  - 2. the broker or bank selected by the City under Subdivision (1) arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the City;
  - 3. the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States.
7. share certificates issued by state and federal credit unions with a main office or branch in Oklahoma that are:
- 1. guaranteed or insured by the National Credit Union Share Insurance Fund, or its successor; or,
  - 2. secured by obligations that are described by 1 - 4 above, which are intended to include all direct federal agency or instrumentality issues that have a market value of not less than the principal amount of the certificates or in any other manner and amount provided by law for deposits of the City.
8. SEC-regulated, no-load money market mutual funds with a dollar-weighted average stated portfolio maturity of 90 days or less and whose investment objectives include seeking to maintain a stable net asset value of \$1 per share. No more than 15% of the City’s average fund balance may be invested in money market mutual funds, and the City may not invest funds under its control in an amount that exceeds 10% of the total assets of any individual money market mutual fund.
9. Local government investment pools whose assets consist exclusively of the obligations that are allowed as a direct investment for funds subject to laws of the State of Oklahoma and the Charter of the City of Altus. A public funds investment pool must be continuously rated no lower than AAA, AAA-m or at an equivalent rating by at least one nationally recognized rating service.

Eligible investment pools must be authorized by the City Council, by rule, order, ordinance, or resolution, as appropriate.

Unless backed by the full faith and credit of the U.S. government, investments in collateralized mortgage obligations are strictly prohibited. These securities are also disallowed for collateral positions. The City will not be required to liquidate investments that were authorized investments at the time of purchase.

#### **4-2. Ensuring Safety of Principal**

Ensuring safety is accomplished through protection of principal and safekeeping.

##### **4-2-1 Protection of Principal**

The City shall seek to control the risk of loss due to the failure of a security issuer or guarantor by investing only in the safest types of securities as defined in the Policy. Settlement of all investment transactions, except those transactions involving investments in mutual funds or local government investment pools, must be made on a delivery versus payment (DVP) basis. The



## City of Altus, Oklahoma Investment Policy

purchase of individual securities shall be executed DVP through the Federal Reserve System delivered to an authorized safekeeping agent or trustee (“custodian”). By so doing, City funds are not released until the City has received, through the Federal Reserve wire, the securities purchased. The security shall be held in the name of the City. The custodian’s records shall assure the notation of City ownership of or explicit claim on the securities.

Additionally, the City shall adhere to the following practices to protect its investment principal:

**4-2-1-1 Approved Broker/Dealers/Financial Institutions and Depositories** Investments shall only be made with those firms and institutions who have acknowledged receipt and understanding of the City’s Investment Policy. The “qualified representative” of the business as defined in the laws of the State of Oklahoma and the Charter of the City of Altus shall execute a written certification to acknowledge receipt of the City’s Investment Policy and to acknowledge that the organization has implemented reasonable procedures and controls to preclude imprudent investment activities arising out of the investment transactions conducted between the entity and the City. Should the City contract with an external investment advisor to execute the investment strategy, including the negotiation and execution of investment transactions, a managing officer of the investment advisory firm may sign the written certification in lieu of the broker/dealer firms. This certification must be included as part of the investment advisory contract.

All state and national banks located in the State of Oklahoma, which are insured by the Federal Deposit Insurance Corporation (FDIC), are to be considered as eligible depositories. The financial condition of the bank shall be considered prior to establishing any accounts with that bank. The Finance Advisory Committee shall review the bids submitted by depository candidates and make a recommendation to the City Council for final approval.

### **4-2-1-2 Collateralization**

Consistent with the requirements of State law, the City requires all bank deposits (including time deposits) to be federally insured or collateralized with eligible securities. Financial institutions serving as City Depositories will be required to sign an Agreement with the City and its safekeeping agent for the collateral, perfecting the City’s rights to the collateral in case of default, bankruptcy or closure.

The City shall not accept, as depository collateral, any security that is not specifically allowed to be held as a direct investment by the City portfolio (see 4-1). Repurchase agreements must also be collateralized in accordance with State law. Evidence of the pledged collateral shall be maintained by the City Clerk-Treasurer or Chief Financial Officer or a third party financial institution. All collateral shall be subject to inspection and audit by the City Clerk-Treasurer, Chief Financial Officer or the City independent auditors.

### **4-2-1-3 Maximum Exposure Guidelines**

Risk of principal loss in the portfolio as a whole shall be minimized by diversifying investment types according to the following limitations. As discussed below, these limitations do not apply to bond proceeds.

Investment Type:

% of Portfolio

## City of Altus, Oklahoma Investment Policy

• U.S. Treasury Notes/Bonds/Bills	100%
• U.S. Agencies	60%
• Local Government Investment Pools	50%
• Repurchase Agreements	30%
• Certificates of Deposit	30%
• Municipal Bonds	20%
• Money Market Mutual Funds	15%

It is the policy of the City to diversify its investment portfolio so that reliance on any one issuer or broker will not place an undue financial burden on the City. Generally, the City should limit its repurchase agreement exposure with a single firm to no more than 15% of the value of the City's overall portfolio. To allow efficient and effective placement of proceeds from any bond sales, these limits may be exceeded for a maximum of five business days following the receipt of bond proceeds. Proceeds of a single bond issue may be invested in a single security or investment if the Investment Committee determines that such an investment is necessary to comply with Federal arbitrage restrictions or to facilitate arbitrage record keeping and calculation.

### 4-2-1-4 Limiting Maturity

To minimize risk of loss due to interest rate fluctuations, investment maturities will not exceed the anticipated cash flow requirements of the funds. For operating funds, the dollar weighted average days to final stated maturity shall be 548 days or less. The City Clerk-Treasurer will monitor the maturity level and make changes as appropriate. For bond funds, the investment maturity of bond proceeds (including reserves and debt service funds) shall be determined considering: 1) the anticipated cash flow requirements of the funds, and; 2) the "temporary period" as defined by Federal tax law during which time bond proceeds may be invested at an unrestricted yield. After the expiration of the temporary period, bond proceeds subject to yield restriction shall be invested considering the anticipated cash flow requirements of the funds.

The City shall have a goal of maintaining a minimum of ten percent of the portfolio maturing within thirty days, and twenty-five percent under one year.

Under 30 days	10% minimum
Under 1 year	25% minimum
Under 3 years	85% minimum
Five years	maximum single investment

Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding three years if maturities of such investments are made to coincide as nearly as practical with the expected use of fund. The intent to invest in securities with longer maturities shall be disclosed in writing to the City Council

### 4-2-2 Safekeeping

The City shall contract with a bank or banks for the safekeeping of securities either owned by the City as a part of its investment portfolio or held as collateral to secure certificates of deposits or repurchase agreements. The Safekeeping Agreement shall clearly define the procedural steps for gaining access to the collateral should the City determine that the City

## City of Altus, Oklahoma Investment Policy

funds are in jeopardy. The safekeeping institution, or Trustee, shall hold all aforementioned securities in an account at the Federal Reserve Bank that specifies City ownership of the account. The Safekeeping Agreement shall include the signatures of authorized representatives of the City, the firm pledging the collateral and the Trustee. The City shall request from the safekeeping institution a copy of its most recent report on internal controls (Statement of Auditing Standards 70, or SAS 70).

### **4-2-3 Effect of Loss of Required Rating**

If a holding's credit quality rating falls below the minimum required, the City shall take all prudent measures that are consistent with its investment policy to liquidate the holding. City staff will periodically review the credit quality rating of instruments in the City portfolio using rating agency online resources or other media reporting these changes.

### **4-3. Ensuring Liquidity**

Liquidity shall be achieved by matching investment maturities with forecasted cash flow requirements, by investing in securities with active secondary markets, and by investing in eligible money market mutual funds (MMMF's) and local government investment pools (LGIP's). A security may be liquidated to meet unanticipated cash requirements, re-deploy cash into other investments expected to outperform current holdings, or to otherwise adjust the portfolio.

### **4-4. Achieving Investment Return Objectives**

Investment selection for all funds shall be based on legality, appropriateness, liquidity, and risk/return considerations. Although the City adheres to a "buy and hold" approach, at times the portfolios may be actively managed to enhance overall interest income. Active management will take place within the context of the "Prudent Person Rule." (See Section 2.4).

#### **4-4-1 Securities Swaps**

The City may take advantage of security swap opportunities to improve portfolio yield. A swap which improves portfolio yield may be selected even if the transaction results in an accounting loss.

#### **4-4-2 Competitive Bidding**

It is the policy of the City to require competitive bidding for all individual security purchases except for those transactions with money market mutual funds (MMMFs) and local government investment pools (LGIP's) which are deemed to be made at prevailing market rates, and for government securities purchased at issue through a primary dealer at auction price. Rather than relying solely on yield, investment in MMMFs and LGIP's shall be based on criteria determined by the Investment Committee, including adherence to Securities and Exchange Commission (SEC) guidelines for MMMFs when appropriate. At least three bidders must be contacted in all transactions involving individual securities. Competitive bidding for security swaps is also required. Bids may be solicited in any manner provided by law. For those situations where it may be impractical or unreasonable to receive three bids for a transaction due to a rapidly changing market environment or to secondary market availability, documentation of a competitive market survey of comparable securities or an explanation of the specific circumstance must be included with the transaction bid sheet. All bids received must be documented and filed for auditing purposes.

## City of Altus, Oklahoma Investment Policy

### 4-4-3 Methods of Monitoring Market Price

The methods/sources to be used to monitor the price of investments that have been acquired with public funds shall be from sources deemed reliable by the City Clerk-Treasurer, including primary or regional broker/dealers, established financial institutions providing portfolio management/accounting services, third-party safekeeping reports, financial publications such as the *Wall Street Journal*, market information vendors such as Bloomberg or Telerate, and market pricing services.

### 4-4-4 Benchmark Rate of Return

As a general guideline, the City's cash management portfolio shall be designed with the objective of regularly meeting the average return on three-month U.S. Treasury Bills, or the average rate of 90-day Certificates of Deposit. These indices are considered benchmarks for risk-free investment transactions and therefore comprise a standard for the portfolio's rate of return. Additional benchmarks may be developed and recommended by the Investment Committee and used as a comparative performance measures for the portfolio. Additional benchmarks that may be considered for targeting by the Investment Committee include the Constant Maturity Treasury Bill with the maturity that most closely matches the weighted average maturity of the portfolio or a more customized index made up of blended Merrill Lynch Treasury/Agency indices. The investment program shall seek to augment rates of return above this threshold, consistent with legal restrictions and prudent investment principles. In a diversified portfolio, measured losses are inevitable and must be considered within the context of the overall portfolio.

## 4-5. Responsibility and Control

### 4-5-1 Authority to Invest

Authority to manage the City investment program is derived from a resolution of the City. Those authorized by said resolution are designated as City Clerk-Treasurers of the City, and, in conjunction with the Chief Financial Officer and the Investment Committee, are responsible for investment decisions and activities. All investment transactions must be acknowledged by a second City Clerk-Treasurer besides the one who initiated the transaction. All wire transfers must be approved by two investments officers. The City reserves the right to contract with an external investment advisory firm to manage the investment assets, and the resulting resolution will grant investment authorization to the contracted firm. The Chief Financial Officer shall establish written procedures for the operation of the investment program consistent with this Investment Policy.

### 4-5-2 Bonding requirements/Standard of care

Each of the authorized City Clerk-Treasurers shall be a bonded employee. All participants in the investment process shall act responsibly as custodians of the public trust and shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs.

### 4-5-3 Establishment of Internal Controls

The Chief Financial Officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that the objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits

## City of Altus, Oklahoma Investment Policy

requires estimates and judgments by management.

### **4-5-4 Standard of Ethics**

City staff involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair the ability to make impartial investment decisions.

City staff shall disclose to the City any material interests in firms or businesses that conduct investment matters with the City, and they shall further disclose positions that could be related to the performance of the City portfolio. City staff shall subordinate their personal financial transactions to those of the City, particularly with regard to the timing of purchases and sales.

The City Clerk-Treasurer of the City who has a personal business relationship with an organization seeking to sell an investment to the City shall file a statement disclosing that personal business interest. The City Clerk-Treasurer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Oklahoma Ethics Commission and the governing body of the City.

### **4-5-5 Investment Committee**

An Investment Committee that is comprised of the membership of the Finance Advisory Committee shall be established to determine investment guidelines, general strategies, and monitor performance. The Committee shall meet quarterly to review performance, strategy, and procedures. The Investment Committee shall include in its deliberation such topics as: performance reports, economic outlook, portfolio diversification, maturity structure, potential risk to the City funds, authorized brokers and dealers, and the target rate of return on the investment portfolio.

## **4-6. Reporting**

Investment performance is continually monitored and evaluated by the City Clerk-Treasurer. The Chief Financial Officer shall submit a quarterly investment report signed by the City Clerk- Treasurer. The report shall include a succinct management summary that provides a clear picture of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner which will allow the City to ascertain whether investment activities during the reporting period have conformed to the Investment Policy. The management summary shall: 1) summarize current market conditions, economic developments and anticipated investment conditions; 2) summarize investment strategies employed in the most recent quarter; 3) describe the portfolio in terms of investment securities, maturities, risk characteristics, and average return for the quarter; 4) outline conformance to the restrictions of the Policy in the area of diversification and term of maturity; 5) compare the performance of City's portfolio to appropriate benchmarks as determined by the Investment Committee.

## City of Altus, Oklahoma Investment Policy

Additionally, the quarterly financial report will include the following detailed information:

1. A listing of individual securities held at the end of the reporting period.
2. Unrealized gains or losses resulting from appreciation or depreciation by listing the beginning and ending book and market value of securities for the period.
3. Additions and changes to the market value during the period.
4. Average weighted yield to maturity or total return performance of the portfolio on entity investments as compared to applicable benchmarks.
5. Listing of investments by maturity date.
6. The percentage of the total portfolio which each type of investment represents.
7. Statement of compliance of the City investment portfolio with State Law and the investment strategy and policy approved by the City.

Within 60 days of the end of the fiscal year, the Chief Financial Officer or the Investment Advisory firm shall present an annual report on the investment program and investment activity. The report may be presented as a component of the fourth quarter report to the City.

### **4-7. Compliance Audit and Accounting Method**

In conjunction with its annual financial audit, the City shall perform a compliance audit of management controls on investments and adherence to the City's established Investment Policies. The results of the audit shall be reported to the Investment Committee and the governing body of the City.

The City shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP) relating to investment accounting. The accounting principles are those contained in the pronouncement of authoritative bodies including but not necessarily limited to, the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA), and the Financial Accounting Standards Board (FASB).

### **4-8. Certification**

A copy of this Investment Policy will be provided to the senior management of any bank, dealer, broker, investment advisor, or safekeeping institution wishing to transact investment business directly with the City in order that it is apprised of the investment goals of the City. Before business is transacted with the firm, a certification (Attachment 1) must be signed by a senior member of a firm. Should the City contract with an external investment advisor to execute the entity's investment strategy, including the negotiation and execution of investment transactions, a managing officer of the investment advisory firm may sign the written certification in lieu of the broker/dealer firms. This certification must be included as part of the investment advisory contract.

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**SECTION 5. ADOPTING CLAUSE**

This Investment Policy for the City of Altus, Oklahoma is hereby adopted as of the 1<sup>st</sup> day of December, 2015.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

Attachment: FY16 Investment Policy (1116 : Update Investment Policy)

# City of Altus, Oklahoma **Investment Policy**

*Effective December 01, 2015*



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Investment Policy**

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1. Investment Vendor Acknowledgement
2. Broker-Dealer and Bank Questionnaires

## City of Altus, Oklahoma Investment Policy

### PREFACE

The purpose of this document is to establish specific investment policy and strategy guidelines for the City of Altus, Oklahoma and the Altus Municipal Authority of the City of Altus, Oklahoma (“City”) to achieve the goals of safety, liquidity, and yield for all investment activity. The City shall review its investment strategies and policy not less than annually. This policy serves to satisfy and conform with the constitution and laws of the State of Oklahoma, to define, adopt and review a formal investment strategy and policy. All available funds shall be invested in conformance with these legal and administrative guidelines.

Effective cash management is recognized as essential to good fiscal management. An aggressive cash management and investment policy will be pursued to take advantage of investment interest as viable and material revenue to all operating and capital funds. The City’s portfolio shall be designed and managed in a manner responsive to the public’s trust and consistent with state and federal law.

Investments shall be made with the primary considerations of:

- Preservation of capital and protection of principal
- Maintenance of sufficient liquidity to meet operating needs
- Security of City funds and investments
- Diversification of investments to avoid unreasonable or unforeseeable risks
- Maximization of return on the portfolio

### SECTION 1. PURPOSE

#### 1-1. Authorization

This Policy is authorized by the City Council and applies to both the City of Altus and the Altus Municipal Authority (AMA) in accordance with the constitution and laws of the State of Oklahoma (62 O.S.A. Sections 348.1 and 348.3), which allows for the adoption of a formal written Investment Policy.

#### 1-2. Goals

The primary goal of the City’s Investment Policy shall be: 1) to ensure the safety of all funds entrusted to the City; 2) to maintain the availability of those funds for the payment of all necessary obligations of the City; and 3) to provide for the investment of all funds, not immediately required, in interest-bearing securities or pooled investment products. The safety of the principal invested shall always be the primary concern.

#### 1-3. Scope

This Investment Policy of the City shall include all investment activities of any fund of the City. In addition to this Policy, bond funds, including debt service and reserve funds, shall be managed by their governing resolution, federal law, and subsequent relevant legislation. City and AMA funds may be pooled for investment purposes.

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**1-4. Review and Amendment**

This Policy may be amended from time to time as the City may so desire or as State Law may require. This Policy, which includes strategies for each fund or pooled fund group, shall be adopted by resolution by the City Council and shall be reviewed annually by the City Council. The fact that the Investment Policy has been reviewed and that any amendments have been made must be recorded by resolution.

**SECTION 2. INVESTMENT OBJECTIVES**

The City shall manage and invest its cash with four objectives, listed in order of priority: Preservation and Safety of Principal; Liquidity; Yield; and Prudence. All investments shall be designed and managed in a manner responsive to the public trust and consistent with State and Local Law.

Cash management is defined as the process of managing monies in order to increase cash availability and interest earnings on short-term investment of idle cash. The City shall maintain a comprehensive cash management program that includes the prudent investment of available cash.

**2-1. Preservation and Safety of Principal**

The primary objective of City investment activity is the preservation of principal in the overall portfolio. Each investment transaction shall be conducted in a manner designed to avoid loss of principal whether from securities defaults or erosion of market value. The manner in which the City ensures safety of principal is presented in Section 4.2, "Ensuring Safety of Principal."

**2-1-1 Credit Risk**

The City will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer by:

- a. Limiting investments to the types of securities listed in section 4-1 of this Investment Policy.
- b. Prequalifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business in accordance with Section 4-2-1-1.
- c. Diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

**2-1-2 Interest Rate Risk**

The City will minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by:

- a. Structuring the portfolio so that securities mature to meet cash requirements for ongoing operations.

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- b. Investing operating funds primarily in short-term securities, money market mutual funds, or similar investment pools and by limiting the average maturity of the portfolio in accordance with this policy.

**2-2. Maintenance of Adequate Liquidity**

The investment portfolio will be at all times maintained in a structure which enables the immediate cash flow needs of the City to be met through the maturity or sale of investment securities. Maintenance of adequate liquidity is described in Section 4.3, “Ensuring Liquidity.”

**2-3. Return on Investments**

Consistent with State law, the City shall seek to optimize return on investments within the constraints of safety and liquidity. Investments (excluding assets managed under separate investment programs, such as in arbitrage restrictive programs) shall be made in permitted obligations at yields equal to or greater than the bond equivalent yield on United States Treasury obligations of comparable maturity. Other appropriate performance measures may be established by the Finance Advisory Committee. Specific policies regarding investment rate of return are presented in Section 4.4, “Achieving Investment Return Objectives.”

For bond issues to which Federal yield or arbitrage restrictions apply, the primary objectives shall be to obtain satisfactory market yields and to minimize the costs associated with investment of such funds.

**2-4. Prudence and Ethical Standards**

The standard of prudence used by the City shall be the “prudent person rule” and shall be applied in the context of managing the overall portfolio within the applicable legal constraints. The prudent person rule is restated below:

“Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence would exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.”

In determining whether the City Clerk-Treasurer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration the investment of all funds over which the Clerk-Treasurer had responsibility, rather than a consideration as to the prudence of a single investment, and whether the investment decision was consistent with the written Investment Policy of the City.

The City Clerk-Treasurer, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific security’s credit risk or market price changes, provided that these deviations are reported immediately.

Specific policies describing the City’s prudence and ethical standards are found in Section 4.5, “Responsibility and Control.”

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### **SECTION 3. INVESTMENT STRATEGY STATEMENT**

The City maintains portfolios that utilize four specific investment strategy considerations designed to address the unique characteristics of the fund groups represented in the portfolios. To maximize the effective investment of assets, all funds needed for general obligations may be pooled into one account for investment purposes. The income derived from this account will be distributed to the various funds based on their average balances on a periodic basis. Proceeds of bond issues shall not be pooled with other assets of the City, but shall be maintained in the fund issuing the bonds with interest earnings on these invested proceeds recorded directly to that fund.

#### **3-1. Operating Funds**

The investment strategy for operating funds has as its primary objective the assurance that anticipated cash flows are matched with adequate investment liquidity. The secondary objective is to create a portfolio structure which will experience minimal volatility during economic cycles. This may be accomplished by purchasing high-quality short-to medium-term securities. The dollar weighted average maturity shall be calculated in accordance with GASB requirements. The weighted average maturity of operating funds shall not exceed 548 days. Securities may not be purchased that have a final stated maturity date that exceeds five (5) years.

#### **3-2. Bond Debt Service Funds**

The investment strategy for bond debt service fund(s) has as its primary objective the assurance of investment liquidity adequate to cover the debt service obligation on the required payment date. Securities purchased shall not have a stated final maturity date that exceeds the next unfunded bond debt service payment date.

#### **3-3. Bond Reserve Funds**

The investment strategy for bond reserve fund(s) has as its primary objective the ability to generate a dependable revenue stream to the appropriate debt service fund from securities with a low degree of volatility. Securities should be of high quality and, except as may be required by the Bond Ordinance specific to an individual issue, of short-to-intermediate-term maturities. The stated final maturity dates of securities held shall not exceed five (5) years.

#### **3-4. Capital Projects Funds**

The investment strategy for capital projects funds' portfolios has as its primary objective the assurance that anticipated cash flows are matched with adequate investment liquidity. These portfolios should include at least 10% in highly liquid securities to allow for flexibility and unanticipated project outlays. The stated final maturity dates of securities held should not exceed the estimated project completion date.

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## **SECTION 4. SPECIFIC INVESTMENT POLICIES**

### **4-1. Eligible Investments**

Investments described below are those authorized by the laws of the State of Oklahoma (62 O.S.A. Sections 348.1 and 348.3), as amended, which is made a part of this Policy. The following list may not contain all of those securities that are authorized by state statutes, but only those that the City wishes to include in their portfolios. The purchase of specific issues may at times be further restricted or prohibited because of current market conditions. City funds governed by this Policy may be invested in:

1. obligations of the United States or its agencies and instrumentalities;
2. direct obligations of the State of Oklahoma or its agencies;
3. other obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Oklahoma or the United States or its agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States;
4. obligations of states, agencies, counties, cities and other political subdivisions of any state having been rated of their own accord as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than AA or its equivalent, and with additional credit enhancement having received a rating of not less than AAA or its equivalent by a nationally recognized investment rating firm;
5. fully collateralized direct repurchase agreements: 1) having a defined termination date; 2) secured by a combination of cash and obligations described by subdivision 1 of this subsection; 3) having securities purchased by the City or cash held by the City pledged to the City, held in the City's name and deposited at the time the investment is made with the City with a third party selected and approved by the City; and 4) placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in Oklahoma, and having a market value (including accrued interest) of no less than the principal amount of the funds disbursed;
6. Certificates of Deposit:
  - a. issued by a depository institution with a main office or a branch office in Oklahoma and is:
    1. guaranteed or insured by the Federal Deposit Insurance Corporation, or its successor; or,
    2. secured by obligations that are described by 1 - 4 above, which are intended to include all direct federal agency or instrumentality issues that have a market value of not less than the principal amount of the certificates or, in any other manner and amount provided by law for deposits of the City;
  - b. made in accordance with the following conditions:
    1. the funds are invested by the City through:
      - a) a broker that has its main office or a branch office in this state and is selected from a

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- list adopted by the City or,
- b) a depository institution (“bank”) that has its main office or a branch office in this state and that is selected by the City;
  2. the broker or bank selected by the City under Subdivision (1) arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the City;
  3. the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States.
7. share certificates issued by state and federal credit unions with a main office or branch in Oklahoma that are:
1. guaranteed or insured by the National Credit Union Share Insurance Fund, or its successor; or,
  2. secured by obligations that are described by 1 - 4 above, which are intended to include all direct federal agency or instrumentality issues that have a market value of not less than the principal amount of the certificates or in any other manner and amount provided by law for deposits of the City.
8. SEC-regulated, no-load money market mutual funds with a dollar-weighted average stated portfolio maturity of 90 days or less and whose investment objectives include seeking to maintain a stable net asset value of \$1 per share. No more than 15% of the City’s average fund balance may be invested in money market mutual funds, and the City may not invest funds under its control in an amount that exceeds 10% of the total assets of any individual money market mutual fund.
9. Local government investment pools whose assets consist exclusively of the obligations that are allowed as a direct investment for funds subject to laws of the State of Oklahoma. A public funds investment pool must be continuously rated no lower than AAA, AAA-m or at an equivalent rating by at least one nationally recognized rating service.

Eligible investment pools must be authorized by the City Council, by rule, order, ordinance, or resolution, as appropriate.

Unless backed by the full faith and credit of the U.S. government, investments in collateralized mortgage obligations are strictly prohibited. These securities are also disallowed for collateral positions. The City will not be required to liquidate investments that were authorized investments at the time of purchase.

#### **4-2. Ensuring Safety of Principal**

Ensuring safety is accomplished through protection of principal and safekeeping.

##### **4-2-1 Protection of Principal**

The City shall seek to control the risk of loss due to the failure of a security issuer or guarantor by investing only in the safest types of securities as defined in the Policy. Settlement of all investment transactions, except those transactions involving investments in mutual funds or local government investment pools, must be made on a delivery versus payment (DVP) basis. The purchase of individual securities shall be executed DVP through the Federal Reserve System



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delivered to an authorized safekeeping agent or trustee (“custodian”). By so doing, City funds are not released until the City has received, through the Federal Reserve wire, the securities purchased. The security shall be held in the name of the City. The custodian’s records shall assure the notation of City ownership of or explicit claim on the securities.

Additionally, the City shall adhere to the following practices to protect its investment principal:

**4-2-1-1 Approved Broker/Dealers/Financial Institutions and Depositories** Investments shall only be made with those firms and institutions who have acknowledged receipt and understanding of the City’s Investment Policy. The “qualified representative” of the business as defined in the laws of the State of Oklahoma shall execute a written certification to acknowledge receipt of the City’s Investment Policy and to acknowledge that the organization has implemented reasonable procedures and controls to preclude imprudent investment activities arising out of the investment transactions conducted between the entity and the City. Should the City contract with an external investment advisor to execute the investment strategy, including the negotiation and execution of investment transactions, a managing officer of the investment advisory firm may sign the written certification in lieu of the broker/dealer firms. This certification must be included as part of the investment advisory contract.

All state and national banks located in the State of Oklahoma, which are insured by the Federal Deposit Insurance Corporation (FDIC), are to be considered as eligible depositories. The financial condition of the bank shall be considered prior to establishing any accounts with that bank. The Finance Advisory Committee shall review the bids submitted by depository candidates and make a recommendation to the City Council for final approval.

### **4-2-1-2 Collateralization**

Consistent with the requirements of State law, the City requires all bank deposits (including time deposits) to be federally insured or collateralized at 110% with eligible securities. Financial institutions serving as City Depositories will be required to sign an Agreement with the City and its safekeeping agent for the collateral, perfecting the City’s rights to the collateral in case of default, bankruptcy or closure.

The City shall not accept, as depository collateral, any security that is not specifically allowed to be held as a direct investment by the City portfolio (see 4-1). Repurchase agreements must also be collateralized in accordance with State law. Evidence of the pledged collateral shall be maintained by the City Clerk-Treasurer or a third party financial institution. All collateral shall be subject to inspection and audit by the City Clerk-Treasurer, Chief Financial Officer or the City independent auditors.

### **4-2-1-3 Maximum Exposure Guidelines**

Risk of principal loss in the portfolio as a whole shall be minimized by diversifying investment types according to the following limitations. As discussed below, these limitations do not apply to bond proceeds.

<u>Investment Type:</u>	<u>% of Portfolio</u>
• U.S. Treasury Notes/Bonds/Bills	100%

## City of Altus, Oklahoma Investment Policy

• U.S. Agencies	60%
• Local Government Investment Pools	50%
• Repurchase Agreements	30%
• Certificates of Deposit	30%
• Municipal Bonds	20%
• Money Market Mutual Funds	15%

It is the policy of the City to diversify its investment portfolio so that reliance on any one issuer or broker will not place an undue financial burden on the City. Generally, the City should limit its repurchase agreement exposure with a single firm to no more than 15% of the value of the City's overall portfolio. To allow efficient and effective placement of proceeds from any bond sales, these limits may be exceeded for a maximum of five business days following the receipt of bond proceeds. Proceeds of a single bond issue may be invested in a single security or investment if the Investment Committee determines that such an investment is necessary to comply with Federal arbitrage restrictions or to facilitate arbitrage record keeping and calculation.

### 4-2-1-4 Limiting Maturity

To minimize risk of loss due to interest rate fluctuations, investment maturities will not exceed the anticipated cash flow requirements of the funds. For operating funds, the dollar weighted average days to final stated maturity shall be 548 days or less. The City Clerk-Treasurer will monitor the maturity level and make changes as appropriate. For bond funds, the investment maturity of bond proceeds (including reserves and debt service funds) shall be determined considering: 1) the anticipated cash flow requirements of the funds, and; 2) the "temporary period" as defined by Federal tax law during which time bond proceeds may be invested at an unrestricted yield. After the expiration of the temporary period, bond proceeds subject to yield restriction shall be invested considering the anticipated cash flow requirements of the funds.

The City shall have a goal of maintaining a minimum of ten percent of the portfolio maturing within thirty days, and twenty-five percent under one year.

Under 30 days	10% minimum
Under 1 year	25% minimum
Under 3 years	85% minimum
Five years	maximum single investment

Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding three years if maturities of such investments are made to coincide as nearly as practical with the expected use of fund. The intent to invest in securities with longer maturities shall be disclosed in writing to the City Council

### 4-2-2 Safekeeping

The City shall contract with a bank or banks for the safekeeping of securities either owned by the City as a part of its investment portfolio or held as collateral to secure certificates of deposits or repurchase agreements. The Safekeeping Agreement shall clearly define the procedural steps for gaining access to the collateral should the City determine that the City funds are in jeopardy. The safekeeping institution, or Trustee, shall hold all aforementioned

## City of Altus, Oklahoma Investment Policy

securities in an account at the Federal Reserve Bank that specifies City ownership of the account. The Safekeeping Agreement shall include the signatures of authorized representatives of the City, the firm pledging the collateral and the Trustee. The City shall request from the safekeeping institution a copy of its most recent report on internal controls (Statement of Auditing Standards 70, or SAS 70).

### **4-2-3 Effect of Loss of Required Rating**

If a holding's credit quality rating falls below the minimum required, the City shall take all prudent measures that are consistent with its investment policy to liquidate the holding. City staff will periodically review the credit quality rating of instruments in the City portfolio using rating agency online resources or other media reporting these changes.

### **4-3. Ensuring Liquidity**

Liquidity shall be achieved by matching investment maturities with forecasted cash flow requirements, by investing in securities with active secondary markets, and by investing in eligible money market mutual funds (MMMF's) and local government investment pools (LGIP's). A security may be liquidated to meet unanticipated cash requirements, re-deploy cash into other investments expected to outperform current holdings, or to otherwise adjust the portfolio.

### **4-4. Achieving Investment Return Objectives**

Investment selection for all funds shall be based on legality, appropriateness, liquidity, and risk/return considerations. Although the City adheres to a "buy and hold" approach, at times the portfolios may be actively managed to enhance overall interest income. Active management will take place within the context of the "Prudent Person Rule." (See Section 2.4).

#### **4-4-1 Securities Swaps**

The City may take advantage of security swap opportunities to improve portfolio yield. A swap which improves portfolio yield may be selected even if the transaction results in an accounting loss.

#### **4-4-2 Competitive Bidding**

It is the policy of the City to require competitive bidding for all individual security purchases except for those transactions with money market mutual funds (MMMFs) and local government investment pools (LGIP's) which are deemed to be made at prevailing market rates, and for government securities purchased at issue through a primary dealer at auction price. Rather than relying solely on yield, investment in MMMFs and LGIP's shall be based on criteria determined by the Investment Committee, including adherence to Securities and Exchange Commission (SEC) guidelines for MMMFs when appropriate. At least three bidders must be contacted in all transactions involving individual securities. Competitive bidding for security swaps is also required. Bids may be solicited in any manner provided by law. For those situations where it may be impractical or unreasonable to receive three bids for a transaction due to a rapidly changing market environment or to secondary market availability, documentation of a competitive market survey of comparable securities or an explanation of the specific circumstance must be included with the transaction bid sheet. The securities firm selling the securities is not authorized to provide "other" bids. All bids received must be documented and filed for auditing purposes.

## City of Altus, Oklahoma Investment Policy

### 4-4-3 Methods of Monitoring Market Price

The methods/sources to be used to monitor the price of investments that have been acquired with public funds shall be from sources deemed reliable by the City Clerk-Treasurer, including primary or regional broker/dealers, established financial institutions providing portfolio management/accounting services, third-party safekeeping reports, financial publications such as the *Wall Street Journal*, market information vendors such as Bloomberg or Telerate, and market pricing services.

### 4-4-4 Benchmark Rate of Return

As a general guideline, the City's cash management portfolio shall be designed with the objective of regularly meeting the average return on three-month U.S. Treasury Bills, or the average rate of 90-day Certificates of Deposit. These indices are considered benchmarks for risk-free investment transactions and therefore comprise a standard for the portfolio's rate of return. Additional benchmarks may be developed and recommended by the Investment Committee and used as a comparative performance measures for the portfolio. Additional benchmarks that may be considered for targeting by the Investment Committee include the Constant Maturity Treasury Bill with the maturity that most closely matches the weighted average maturity of the portfolio or a more customized index made up of blended Merrill Lynch Treasury/Agency indices. The investment program shall seek to augment rates of return above this threshold, consistent with legal restrictions and prudent investment principles. In a diversified portfolio, measured losses are inevitable and must be considered within the context of the overall portfolio.

## 4-5. Responsibility and Control

### 4-5-1 Authority to Invest

Authority to manage the City investment program is derived from a resolution of the City. Those authorized by said resolution are designated as City Clerk-Treasurers of the City, and, in conjunction with the Chief Financial Officer and the Investment Committee, are responsible for investment decisions and activities. All investment transactions must be acknowledged by a second City Clerk-Treasurer besides the one who initiated the transaction. All wire transfers must be approved by two investments officers. The City reserves the right to contract with an external investment advisory firm to manage the investment assets, and the resulting resolution will grant investment authorization to the contracted firm. The Chief Financial Officer shall establish written procedures for the operation of the investment program consistent with this Investment Policy.

### 4-5-2 Bonding requirements/Standard of care

Each of the authorized City Clerk-Treasurers shall be a bonded employee. All participants in the investment process shall act responsibly as custodians of the public trust and shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person's own affairs.

### 4-5-3 Establishment of Internal Controls

The Chief Financial Officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that the objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control

## City of Altus, Oklahoma Investment Policy

should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

### **4-5-4 Standard of Ethics**

City staff involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair the ability to make impartial investment decisions.

City staff shall disclose to the City any material interests in firms or businesses that conduct investment matters with the City, and they shall further disclose positions that could be related to the performance of the City portfolio. City staff shall subordinate their personal financial transactions to those of the City, particularly with regard to the timing of purchases and sales.

The City Clerk-Treasurer of the City who has a personal business relationship with an organization seeking to sell an investment to the City shall file a statement disclosing that personal business interest. The City Clerk-Treasurer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to the City shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Oklahoma Ethics Commission and the governing body of the City.

### **4-5-5 Investment Committee**

An Investment Committee that is comprised of the membership of the Finance Advisory Committee shall be established to determine investment guidelines, general strategies, and monitor performance. The Committee shall meet quarterly to review performance, strategy, and procedures. The Investment Committee shall include in its deliberation such topics as: performance reports, economic outlook, portfolio diversification, maturity structure, potential risk to the City funds, authorized brokers and dealers, and the target rate of return on the investment portfolio.

## **4-6. Reporting**

Investment performance is continually monitored and evaluated by the City Clerk-Treasurer. The Chief Financial Officer shall submit to the City Council a quarterly investment report signed by the City Clerk-Treasurer. The report shall include a succinct management summary that provides a clear picture of the status of the current investment portfolio and transactions made over the last quarter. This management summary will be prepared in a manner which will allow the City to ascertain whether investment activities during the reporting period have conformed to the Investment Policy. The management summary shall: 1) summarize current market conditions, economic developments and anticipated investment conditions; 2) summarize investment strategies employed in the most recent quarter; 3) describe the portfolio in terms of investment securities, maturities, risk characteristics, and average return for the quarter; 4) outline conformance to the restrictions of the Policy in the area of diversification and term of maturity; 5) compare the performance of City's portfolio to appropriate benchmarks as determined by the Investment Committee.

## City of Altus, Oklahoma Investment Policy

Additionally, the quarterly financial report will include the following detailed information:

1. A listing of individual securities held at the end of the reporting period.
2. Unrealized gains or losses resulting from appreciation or depreciation by listing the beginning and ending book and market value of securities for the period.
3. Additions and changes to the market value during the period.
4. Average weighted yield to maturity or total return performance of the portfolio on entity investments as compared to applicable benchmarks.
5. Listing of investments by maturity date.
6. The percentage of the total portfolio which each type of investment represents.
7. Statement of compliance of the City investment portfolio with State Law and the investment strategy and policy approved by the City.

Within 60 days of the end of the fiscal year, the Chief Financial Officer or the Investment Advisory firm shall present an annual report on the investment program and investment activity. The report may be presented as a component of the fourth quarter report to the City.

### **4-7. Compliance Audit and Accounting Method**

In conjunction with its annual financial audit, the City shall perform a compliance audit of management controls on investments and adherence to the City's established Investment Policies. The results of the audit shall be reported to the Investment Committee and the governing body of the City.

The City shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP) relating to investment accounting. The accounting principles are those contained in the pronouncement of authoritative bodies including but not necessarily limited to, the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA), and the Financial Accounting Standards Board (FASB).

### **4-8. Certification**

A copy of this Investment Policy will be provided to the senior management of any bank, dealer, broker, investment advisor, or safekeeping institution wishing to transact investment business directly with the City in order that it is apprised of the investment goals of the City. Before business is transacted with the firm, a certification (Attachment 1) must be signed by a senior member of a firm. Should the City contract with an external investment advisor to execute the entity's investment strategy, including the negotiation and execution of investment transactions, a managing officer of the investment advisory firm may sign the written certification in lieu of the broker/dealer firms. This certification must be included as part of the investment advisory contract.

**City of Altus, Oklahoma  
Investment Policy**

**SECTION 5. ADOPTING CLAUSE**

This Investment Policy for the City of Altus, Oklahoma is hereby adopted as of the 1<sup>st</sup> day of December, 2015.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

Attachment: FY16 Investment Policy FINAL (1116 : Update Investment Policy)



**City of Altus, Oklahoma  
Investment Policy**

**Attachment 1**

**OKLAHOMA PUBLIC FUNDS INVESTMENT ACT  
ACKNOWLEDGMENTS**

These Acknowledgments are executed on behalf of the **City of Altus, Oklahoma (“Investor”)** and \_\_\_\_\_ (“Business Organization”) pursuant to the Public Funds Investment Act, 62 O.S.A., Sections 348.1 and 348.3 (the “Act”), in connection with investment transactions conducted between the Investor and the Business Organization.

**Acknowledgment by Investor**

The undersigned City Clerk-Treasurer of the Investor (“Clerk-Treasurer”) hereby acknowledges, represents and agrees on behalf of the Investor that:

- (i) The Clerk-Treasurer (a) has been duly designated by official action of the governing body of the Investor to act as its Investment Officer, (b) is vested with full power and authority under applicable law to engage in investment activities on behalf of the Investor, and (c) is duly authorized to execute this Acknowledgement on behalf of the Investor.
- (ii) The governing body of the Investor has duly adopted a written investment policy, and the Clerk-Treasurer (a) has furnished a true and correct copy of the Investment Policy to the Business Organization and (b) will notify the Business Organization of any rescission of, or amendment to, the Investment Policy. The Business Organization shall be entitled to rely upon the most recent version of the Investment Policy furnished by the Clerk-Treasurer until provided with an amended version, and
- (iii) In connection with any investment transaction between the Business Organization and the Investor, the Business Organization is not responsible for assuring compliance with those aspects of the Investment Policy over which the Business Organization has no control or knowledge, such as restriction as to diversity and average maturity, or which require an interpretation of subjective investment standards.

**CITY CLERK-TREASURER**

Debbie Davis  
City Clerk-Treasurer  
City of Altus, Oklahoma

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Attachment: FY16 Investment Policy FINAL (1116 : Update Investment Policy)



**City of Altus, Oklahoma  
Investment Policy**

**Acknowledgment by Business Organization**

I am a registered principal or authorized representative of \_\_\_\_\_ (the “Firm”). The Firm is a registered dealer under the Securities Exchange Act of 1934 (the “Act”), and a member of the Financial Industry Regulatory Authority (“FINRA”).

I have received a copy of the City of Altus (the “City”) investment policy dated \_\_\_\_\_. I have provided each current licensed member of the sales personnel who perform investment services for the City with a copy of your investment policy and have instructed these professional to familiarize themselves with the terms of the Policy. The Firm has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between the Firm and the City that are not authorized by the City’s investment policy, except to the extent that this authorization is dependent on an analysis of the composition of the entity’s entire portfolio.

As a FINRA registered dealer, the Firm is subject to the rules of the Securities and Exchange Commission (the “SEC”) and the Rules of Fair Practices of FINRA. Those rules establish requirements for, among other things, net capital, reserves and custody of customer securities, and suitability of investment recommendations. Those rules also prohibit the use of fraudulent and deceptive practices.

The Firm has extensive internal procedures to assist the firm in complying with the rules of the SEC, FINRA and other regulatory bodies having jurisdiction. The Firm’s compliance with these rules will be monitored by FINRA-licensed supervisory principals and its Compliance Department. This process is audited routinely by both internal and outside auditors.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Attachment: FY16 Investment Policy FINAL (1116 : Update Investment Policy)

**City of Altus, Oklahoma  
Investment Policy**

**Attachment 2**

**City of Altus, Oklahoma  
BROKER/DEALER QUESTIONNAIRE**

1. Name of Firm \_\_\_\_\_
2. Address \_\_\_\_\_  

(Local)
(National Offices)

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
3. Telephone \_\_ (\_\_\_\_) \_\_\_\_\_
4. Primary Representatives/Manager/Partner In-Charge:  

Name \_\_\_\_\_  
 Title \_\_\_\_\_  
 Telephone \_\_\_\_\_

Name \_\_\_\_\_  
 Title \_\_\_\_\_  
 Telephone \_\_\_\_\_
5. Are you a primary dealer in U.S. Government Securities? ☐ Yes ☐ No
6. If so, for how long has your firm been a primary dealer? \_\_\_\_\_ years
7. What was your firm's total volume in U.S. Government securities trading last year?  

Firm wide \$ \_\_\_\_\_  
 Your local office \$ \_\_\_\_\_

Number of transactions \_\_\_\_\_  
 Number of transactions \_\_\_\_\_
8. Which instruments are offered regularly by your local desk?  

☐ T-bills ☐ Agencies (specify) \_\_\_\_\_  
☐ Treasury notes/bonds ☐ BAs (domestic) \_\_\_\_\_  
☐ Other (specify) \_\_\_\_\_

☐ Instrumentalities ☐ Bank CDs ☐ S&L CDs  
☐ BAs (foreign) ☐ Commercial paper  
 \_\_\_\_\_
9. Identify all personnel who will be trading with or quoting securities to our government's employees.  

Name: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Telephone Number: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

(Attach Resumes Of All The Above Persons)
10. Which of the above personnel have read our government investment policies?  
 \_\_\_\_\_  
 \_\_\_\_\_
11. Please identify our most directly comparable public sector clients in our geographical area.  

Entity: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Telephone No: \_\_\_\_\_

Client Source: \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
12. Have any of your clients ever sustained a loss on a securities transaction arising from a misunderstanding or misrepresentation of the risk characteristics of the instrument? If so, explain.

**City of Altus, Oklahoma  
Investment Policy**

13. Have any of your public sector clients ever reported to your firm, its officers or employees, orally or in writing, that they sustained a loss (in a single year) exceeding 10 percent of original purchase price on any individual security purchased through your firm? (Explain)
14. Has your firm ever been subject to a regulatory or state/federal agency investigation for alleged improper, fraudulent, disreputable or unfair activities related to the sale of securities? Have any of your employees ever been so investigated? (Explain)
15. Has a public sector client ever claimed, in writing, that your firm was responsible for investment losses? (Explain)
16. Please include samples of research reports that your firm regularly provides to public sector clients.
17. Please explain your normal custody and delivery process. Who audits these fiduciary systems?
18. Please provide certified financial statements and other indicators regarding your firm's capitalization.
19. Describe the Capital line and trading limits that support/limit the office that would conduct business with our government.
20. What training would you provide to our employees and City Clerk-Treasurer?
21. Has your firm consistently complied with the Federal Reserve Bank's capital adequacy guidelines? As of this date, does your firm comply with the guidelines? Has your capital position ever fallen short? By what factor (1.5, 2x, etc.) does your firm presently exceed the capital adequacy guideline's measure of risk? Include certified documentation of your capital adequacy as measured by the Federal Reserve standards.
22. Do you participate in the S.I.P.C insurance program? If not, explain why.
23. What portfolio information do you require from your clients?
24. What reports, transactions, confirmations and paper trail will we receive?
25. Enclose a complete schedule of fees and charges for various transactions.
26. How many and what percentage of your transactions failed last month? Last year?
27. Describe the precautions taken by your firm to protect the interest of the public when dealing with governmental agencies as investors.
28. With whom are you doing business in the Altus area?
29. Are you representing a parent corporation or a subsidiary of another corporation? If you are a subsidiary, will you furnish audited financial statements on your parent corporation as well as your subsidiary?
30. For all employees listed in part 9 above, please provide resumes for each and within each resume include the company names of former employers.
31. Provide banking references and include officer contact names and telephone numbers.
32. Do you give perfected security interest in securities under repurchase agreements?

**FINANCIAL RATIO CRITERIA**

1. Growth in current assets and current liabilities must be parallel.
2. Total liabilities, as a multiple of equity, must be less than a ratio of 20:1.
3. The total of securities owned and securities purchased under agreement to resell (reverse repos) must be greater than the total of short-term loans and securities sold under agreements to repurchase (repos).
4. Equity, as a percentage of total assets, must 5% or more.
5. Growth in retained earnings must exceed 7% for the last two years.
6. Equity growth must be parallel to asset and liability growth.
7. The auditor's opinion must be unqualified.

**City of Altus, Oklahoma  
Investment Policy**

## **BANK QUESTIONNAIRE**

1. Name of Bank \_\_\_\_\_
2. Address \_\_\_\_\_  

(Local)  
\_\_\_\_\_  
\_\_\_\_\_

(National Offices)  
\_\_\_\_\_  
\_\_\_\_\_
3. Telephone \_\_\_\_\_
4. Primary Representatives/Managers:
 

Name _____	Name _____
Title _____	Title _____
Telephone _____	Telephone _____
5. Are you a primary dealer in U.S. Government securities? ☐ Yes ☐ No
6. If so, for how long has your firm been a primary dealer? \_\_\_\_\_ Years
7. Please attach a list of comparable public sector clients in south Oklahoma; include entity name, contact name, contact telephone number and email, and number of years as a client.
8. General banking information – please attach on separate sheet:
  - Financial statements for the past two fiscal years, with an unqualified opinion from a certified public accountant.
  - Call reports for the last four quarters or credit rating information for senior and subordinate debt from a recognized credit rating agency
  - Rating information from recognized bank rating agencies
  - Proof of current standing as an eligible public depository
  - Capital ratios: tangible capital, core capital, and risk capital
  - Evidence of growth in current assets and current liabilities being parallel
  - Total liability to equity ratio (must be less than 20:1)
  - Equity as a percentage of assets (must be at least 5%)
  -
9. Please attach a list of names of the current and most immediate past Board of Directors.

## RESOLUTION NO. 2015 - \_\_\_\_\_

**A RESOLUTION OF THE CITY OF ALTUS, OKLAHOMA, ADOPTING THE CITY OF ALTUS INVESTMENT POLICY; AND REPEALING RESOLUTION NO. 2002-33 AND ALL OTHER RESOLUTIONS OR PARTS OF RESOLUTIONS IN CONFLICT HERewith,**

**WHEREAS,** the City Council of the City of Altus, Oklahoma adopted the current Investment Policy on the 6th day of August, 2002 by passage of Resolution No. 2002-33; and

**WHEREAS,** the City Council of the City of Altus, Oklahoma, has periodically amended this City of Altus Investment Policy by resolution in 2005, 2006, 2008, 2010, 2014 with the most recent amendment being the approval of Resolution No. 2014-07 on March 4, 2014; and

**WHEREAS,** the City Council of the City of Altus, Oklahoma further recognizes the need to acquire only those direct debt obligations of municipalities or counties in Oklahoma that have an “AA” rating or better if pledged as collateral for public funds for the City of Altus;

**NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF ALTUS, OKLAHOMA:**

**Section 1.** That the City Clerk-Treasurer be designated, authorized, empowered and directed to do the following from the adoption of this policy until the City Council, by passage of a subsequent Resolution, directs otherwise:

- a. Invest all public funds in accordance with the Investment Policy attached hereto as Exhibit “A”.
- b. Accept as collateral to secure public funds invested by the City Clerk-Treasurer only those securities listed in the adopted Investment Policy attached hereto as Exhibit “A”.
- c. Sign an Investment Activity Report which shall be submitted quarterly by the Chief Financial Officer to the Mayor and City Council. This report shall include the number of transactions, interest earned, current investments and maturity schedules, and any other information in accordance with the Investment Policy attached hereto as Exhibit “A”.
- d. Establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

**Section 2.** That Resolution No. 2002-33 and all other resolutions or parts of resolutions in conflict herein are hereby repealed.

**PASSED AND APPROVED** this 1st day of December, 2015 by the City of Altus, Oklahoma.

\_\_\_\_\_  
JACK SMILEY, Mayor

(SEAL)

ATTEST:

\_\_\_\_\_  
DEBBIE DAVIS, City Clerk

APPROVED as to legality and form this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
CATHERINE J. COKE, City Attorney

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Attachment: RES Investment Policy 2015 (1116 : Update Investment Policy)

### Oklahoma State Statutes (Excerpts)

#### §62-348.1. Authorized investments – Disposition of income.

A. Except as otherwise provided for by law, a county treasurer, when authorized by the board of county commissioners by a written investment policy, ordinance or resolution or the treasurer of any city or town, when authorized by the appropriate governing body by a written investment policy, ordinance or resolution, shall invest monies in the custody of the treasurer in:

1. Direct obligations of the United States Government, its agencies or instrumentalities to the payment of which the full faith and credit of the Government of the United States is pledged, or obligations to the payment of which the full faith and credit of this state is pledged;

2. Collateralized or insured certificates of deposits of savings and loan associations, banks, savings banks and credit unions located in this state, when the certificates of deposit are secured by acceptable collateral as provided by law, or fully insured certificates of deposit at banks, savings banks, savings and loan associations and credit unions located out of state;

3. Savings accounts or savings certificates of savings and loan associations, banks, and credit unions, to the extent that the accounts or certificates are fully insured by the Federal Deposit Insurance Corporation;

4. Investments as authorized by Section 348.3 of this title which are fully collateralized in investments specified in paragraphs 1 through 3 of this section, and where the collateral has been deposited with a trustee or custodian bank in an irrevocable trust or escrow account established for such purposes; or

5. County, municipal or school district direct debt obligation for which an ad valorem tax may be levied or bond and revenue anticipation notes, money judgments against such county, municipality or school district ordered by a court of record or bonds or bond and revenue anticipation notes issued by a public trust for which such county, municipality or school district is a beneficiary thereof. All collateral pledged to secure public funds shall be valued at no more than market value. The income received from that investment may be placed in the general fund of the governmental subdivision to be used for general governmental operations, the sinking fund, the building fund, or the fund from which the investment was made.

B. The provisions of this section shall not apply to investments made by organizations of municipalities created for the purpose of securing benefits and services relating to insurance for Oklahoma municipalities or other political subdivisions.

Added by Laws 1943, p. 144, § 1, emerg. eff. Feb. 26, 1943. Amended by Laws 1955, p. 347, § 1, emerg. eff. May 23, 1955; Laws 1963, c. 49, § 1, emerg. eff. May 2, 1963; Laws 1967, c. 356, § 1, emerg. eff. May 18, 1967; Laws 1970, c. 310, § 1, emerg. eff. April 23, 1970; Laws 1971, c. 69, § 1, emerg. eff. April 12, 1971; Laws 1974, c. 120, § 1, emerg. eff. May 1, 1974; Laws 1983, c. 141, § 1, emerg. eff. May 23, 1983; Laws 1984, c. 12, § 1, eff. Nov. 1, 1984; Laws 1988, c. 319, § 13, eff. Sept. 30, 1988; Laws 1991, c. 124, § 20, eff. July 1, 1991; Laws 1992, c. 211, § 10, eff. July 1, 1992; Laws 1999, c. 327, § 3, eff. July 1, 1999; Laws 2013, c. 51, § 1, eff. Nov. 1, 2013; Laws 2014, c. 43, § 1, eff. Nov. 1, 2014.

NOTE: Laws 1955, p. 347, § 1, emerg. eff. Feb. 8, 1955 (HB 574, § 1) repealed by Laws 1955, p. 348, § 3, emerg. eff. May 23, 1955.

§62-348.3 A. In addition to the investments authorized by Section 348.1 of this title, the governing body of a city with a population of not less than fifteen thousand (15,000) three thousand (3,000)

persons according to the latest Federal Decennial Census or of a county with a population of not less than forty thousand (40,000) persons according to the latest Federal Decennial Census may adopt a written investment policy directing the investment of the funds of the city or county and any of its public trusts or authorities. If such a policy is adopted by the governing body, Req. No. 5923 Page 2 such funds shall be invested pursuant to the provisions of the policy. The written policy shall address liquidity, diversification, safety of principal, yield, maturity and quality and capability of investment management, with primary emphasis on safety and liquidity. To the extent practicable, taking into account the need to use sound investment judgment, the written investment policies shall include provision for utilization of a system of competitive bidding in the investment of municipal funds. The system shall be designed to maximize yield within each class of investment instrument, consistent with the safety of the funds invested. B. The written investment policy may authorize the city treasurer or county treasurer to purchase and invest in any or all of the following: 1. Obligations of the United States government, its agencies and instrumentalities; 2. Collateralized or insured certificates of deposit and other evidences of deposit at banks, savings banks, savings and loan associations and credit unions located in this state, or fully insured certificates of deposit at banks, savings banks, savings and loan associations and credit unions located out of state; 3. Negotiable certificates of deposit issued by a nationally or state-chartered bank, a savings bank, a savings and loan association or a state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposit shall not exceed ten percent (10%) of the surplus funds of the city or county which may be invested pursuant to this section. Not more than one-half (1/2) of the ten percent (10%) limit shall be invested in any one financial institution specified in this paragraph; 4. Prime banker's acceptances which are eligible for purchase by the Federal Reserve System and which do not exceed two hundred seventy (270) days' maturity. Purchases of prime banker's Req. No. 5923 Page 3 acceptances shall not exceed ten percent (10%) of the surplus funds of the city or county which may be invested pursuant to this section. Not more than one-half (1/2) of the ten percent (10%) limit shall be invested in any one commercial bank pursuant to this paragraph; 5. Prime commercial paper which shall not have a maturity that exceeds one hundred eighty (180) days nor represent more than ten percent (10%) of the outstanding paper of an issuing corporation. Purchases of prime commercial paper shall not exceed seven and one-half percent (7 1/2%) of the surplus funds of the city or county which may be invested pursuant to this section; 6. Repurchase agreements that have underlying collateral consisting of those items specified in paragraphs 1 through 5 of this subsection; and 7. Money market funds regulated by the Securities and Exchange Commission and which investments consist of those items and those restrictions specified in paragraphs 1 through 6 of this subsection. C. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. SECTION 2. This act shall become effective July 1, 1997. SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.



Item No. \_\_\_\_\_

Date: December 1, 2015

## **AGENDA ITEM COMMENTARY**

**ITEM TITLE:** Consider, Discuss and Vote to Discuss in Executive Session the Initial Six-Month Performance Review of the City Manager, an Individual Salaried City Employee, as Authorized by Section 307 (B)(1) of Title 25. O.S.A. and in Open Session Vote to Take Any Appropriate Action.

**INITIATOR:** Catherine Coke

**STAFF INFORMATION SOURCE:** City Attorney

**BACKGROUND:** The City Manager Employment Agreement between the City and David Fuqua, requires in Section 4(E) that “the City Manager shall receive an initial six-month performance review. Thereafter, performance reviews shall be conducted on an annual basis on or about the anniversary date of initial employment.” This review is conducted during Executive Session.

**FUNDING:** n/a

**EXHIBITS:** none

**COUNCIL ACTION:** n/a

**STAFF RECOMMENDATION:** Stated Council Action

Item No. \_\_\_\_\_

Date: December 1, 2015

## **AGENDA ITEM COMMENTARY**

**ITEM TITLE:** Discuss in Executive Session the Appraisal of Real Property, the Value of Leased Groundwater, Paragraphs 3.2, 5.1 of the 2015 Round Timber Groundwater Lease Agreement Between Leonard Keith Spears and Sherry K. Spears and the City and Paragraphs 2.1 - 2.3 of Exhibit B to Said Groundwater Lease, and in Open Session, Vote to Take Any Appropriate Action, as Specifically Authorized by Section 307 (B)(3) Title 25 O.S.A.

**INITIATOR:** Dwayne Martin

**STAFF INFORMATION SOURCE:** Dwayne Martin

**STAFF RECOMMENDATION:** Stated Council Action